هكذا من الاصل

Friday June 20 1997

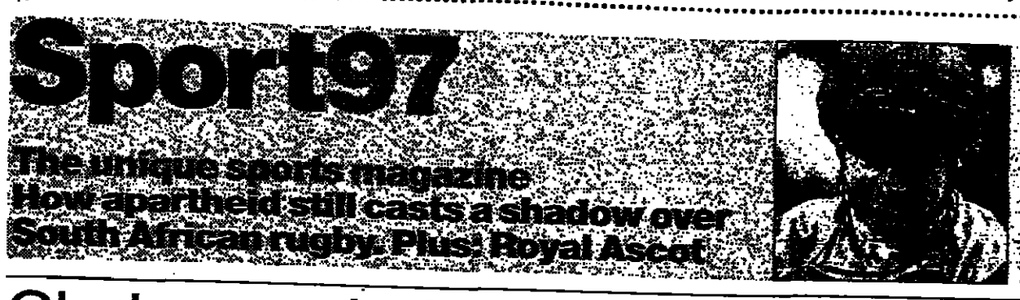
Abu Dhabi D 8.50 Albania US$ 2 Andorra FF 10 Austria AS 30 Bahrain BD 0.95 Belgium BF 65 Bulgaria LV 500 Canada C$ 3.95 Croatia KN 12.50 Cyprus CE 1.00 Czech Republic KC56 Denmark DK 15 Dubai D 8.50 Egypt EE 6.50 Estonia K 30 Finland FM 12 France FF 10 Germany DM 3.50 Greece D 400 Hong Kong HK$ 25 Hungary F 230 Iceland IK 135 Israel NIS 11.50 Italy L 3,000 Jordan JD 1.25 Kenya KSH 150 Kuwait KD 0.50 Latvia US$ 2 Lebanon LL 3000 Luxembourg LF 55 Madeira E 270 Malta ML 0.43 Morocco D 25 Netherlands G 4.00 Norway NK 16 Oman OR 1.00 Pakistan R 60 Poland Z 6.20 Portugal E 240 Qatar QR 6.50 Russia US$ 2.75 Saudi Arabia R 10 Slovakia SK 60 Slovenia SLT 290 Spain P 250 Sweden SK 17 Switzerland SF 3.20 Thailand B 80 Turkey TL 120,000 Ukraine US$ 3.50 USA US$ 2.75

The Guardian INTERNATIONAL

Printed in London, Manchester, Frankfurt and Roubaix

NEWSPAPER OF THE YEAR

46,895



Plus... The rector of Wimbledon plies his trade

European weather page 16

Comment

Empire of the burgers

This section page 13

Clarke way behind as Redwood gamble backfires

Mission impossible?

William Hague at the Commons yesterday: 'We start from a clean slate. It is my responsibility to lead this party and it is also my responsibility to heal this party' PHOTOGRAPH: SEAN SMITH

Priority is to unite party, says Hague

Michael White
Political Editor

WILLIAM Hague last night pledged himself to reunite the Conservatives under the banner of "freedom and opportunity" after winning an unexpectedly decisive 22-vote majority over his centre-left rival, Kenneth Clarke, in the fight for the party leadership.

But his promise to offer shadow cabinet posts to all his defeated rivals in an immediate drive to revitalise the Opposition — and beat Labour in 2002 — immediately hit trouble when Mr Clarke told him he would be retiring to the backbenches and Hague loyalists predicted problems finding a suitable spot for John Redwood.

The youngest Tory leader since William Pitt in 1783 beat the former chancellor — at 56 his senior by 20 years — after Mr Clarke's last-minute pact with the rightwing Mr Redwood rebounded disastrously on him, driving some of his own staunch supporters into the Hague camp, along with some of Mr Redwood's.

The result

William Hague	92
Kenneth Clarke	70

Voting was 92 to 70, compared with 64:62:38 in Mr Clarke's favour on Tuesday. Two Redwood dissidents — Julian Lewis and, MPs said, Angela Browning — abstained in protest at what many rightwingers decided had been a misjudged piece of opportunism. "The deal did net damage," one Clarke campaign manager admitted.

In their desperation to touch bottom after Labour's overwhelming election victory on May 1, Conservative MPs on both sides of the Euro-riven party declared themselves delighted that the unexpected shift to Mr Hague had at least delivered a clear result, not the knife-edge vote many had predicted, let alone the feared draw.

At his formal coronation before party bigwigs, whose preference for Mr Clarke the 164 MPs had ignored, in Conservative Central Office Mr Hague coupled a conciliatory note — "Hard words have been said, but I am determined no grudges will be borne by anyone in our party" — with a warning that years of debilitating factionalism must now end.

"If I have to, I will put some noses out of joint. If I have to, I will make myself unpopular for a time," he warned, promising all groups within the party jobs — for every MP who wants one and, he joked, "for those who don't want one". Mr Redwood, deeply disappointed by the failure of his second bid for the Tory crown, was last night considering his own position.

Michael Heseltine and other grandees are expected to fade away, as will John Major, who praised both candidates — "whichever way the party chose, it couldn't lose" — and promised that, unlike Lady Thatcher or Sir Edward Heath, he would support the new leader, especially when he thought he was wrong.

The inquest on the ill-fated Clarke-Redwood pact was brutal. Hague allies said the prospect of Mr Redwood being shadow chancellor rebounded on Mr Clarke and simultaneously offended ardent Eurosceptics such as Sir Teddy Taylor and Redwood campaign co-manager, the fastidious Iain Duncan-Smith. "The so-called man of integrity was suddenly touting for a job," said one. But, as the Clarke camp saw its overnight hopes of a 10-vote win slip away, some insisted the gamble had been worth a try.

Heading for a Middle England curry with friends last night after 26 years on the Tory front bench, Mr Clarke joked: "My best moment in the campaign came when William said he would be Michael Howard's deputy" — a promise Mr Hague later reneged on. The two men met soon after the result was declared at 5.15pm and later made effusive declarations of mutual goodwill.

"We all start from a clean slate. It is my responsibility to lead this party and it is also my responsibility to heal this party ... Let's look forward, not back. Let's pick ourselves up, dust ourselves down and return to the future," the Tories' new standard-bearer told a crowded conference room.

Downing Street believes it need fear Mr Hague less than Mr Clarke and that the young leader cannot bind up Tory divisions on Europe. The spectre of Michael Portillo looms if he falters as "provisional party leader", even some Tories mutter.

Labour's former leader, Margaret Beckett, declared: "There are two Tory parties and William Hague does not know which one he is in." Paddy Ashdown said the Conservatives had "turned their back on the one person who could drag them back to moderation". But Mr Hague insisted that his party had retained its principles — unlike "Tony Blair's Puppet Labour" — and could still win in 2002. Few MPs believe him.

Hague's victory, pages 2, 3; Leader comment, page 12

Hugo Young writes

Hague's election is the delayed revenge of the Thatcherites for what happened in 1990. The party is unequivocally back in their hands, led from the right, where the noisiest heart of modern Conservatism beats. The least alarming harbinger for Hague is the fact that most of the local party chairmen were backing Clarke. They will be the first to come round. The party conference, we can already be certain, will bury the memory of May 1 in the ecstasy of June 19.

Page 3

Blair backs Dome

Rebecca Smithers and Ewen MacAskill

THE Prime Minister yesterday threw a lifeline to the troubled £580 million millennium exhibition, announcing that it is to be relaunched as a more exciting, populist project rather than consigned to the scrapheap.

At the end of a heated cabinet discussion led by Tony Blair and Deputy Prime Minister John Prescott, ministers agreed that the project should go ahead, subject to five strict "tests" to ensure its viability, understood to have been drawn up by the Chancellor, Gordon Brown.

Mr Blair overrode the fears of cabinet colleagues who argued that the project was too risky, and could eat up public funds. With construction on the main PVC and steel structure due to start next week, he was under pressure to act quickly.

He also ignored pressure from the media and from Labour back-benchers who put down a motion this week calling for it to be cancelled and priority given to health, education and transport. One Labour back-bencher described Mr Blair as "stark raving bonkers".

There had been speculation that Mr Blair was influenced by his friendship with Lord Rogers of Riverside, the architect of the Millennium Dome, the centrepiece of the exhibition at North Greenwich, by the Thames in south London.

But Lord Rogers insisted yesterday that he had not spoken to Mr Blair since the general election.

"The strength and purposefulness that the Cabinet has shown is grand," he said.

Asked about the lack of con

Turn to page 2, column 4

Aitkens separate after libel trial drama

Luke Harding

JONATHAN Aitken last night announced that he is to separate from his wife, Lolicia, hours after his High Court libel action was dramatically halted following the disclosure of new evidence by the Guardian.

In a statement last night, Mr Aitken said he and his wife had separated for "personal reasons". He added: "Recent events have shattered me and broken our family."

The announcement came the day his wife, twin 17-year-old daughters, Victoria and Alexandra, and mother-in-law were due to give evidence in his libel action against the Guardian and Granada TV.

It follows the disclosure by the Guardian of new documents concerning the former cabinet minister's account of his stay at the Paris Ritz.

Mr Aitken, aged 54, was not in court yesterday to hear Mr Justice Popplewell describe the new evidence as "potentially very important". His counsel, Charles Gray QC, was allowed an adjournment to "investigate further".

Last night his secretary, Lynn Fox, said she did not know where the former Conservative MP was. She said Mr Aitken had dictated the press release earlier in the afternoon and had given orders that it should be faxed to all newspapers at 7.30pm.

Mrs Aitken is central to her husband's explanation of his trip to the Paris Ritz in September 1993 when minister for defence procurement. It is the Guardian and Granada's case that the bill was paid for by a Saudi business associate, which would have breached ministerial guidelines. Mr Aitken claimed last week on oath that his wife had paid the bill.

After a 40-minute private consultation with the judge, his legal team yesterday applied for the case to be adjourned for the day.

The new documents include a statement from a British Airways flight investigator, Wendy Harris, as well as records of car hire agreements made in Switzerland.

Mr Aitken has denied lying about the weekend to the Prime Minister, the House of Commons, and the Cabinet Secretary, Sir Robin Butler.

He has consistently claimed he arranged to meet up with his wife and daughter Victoria in Paris at the hotel during the weekend of September 17-19, 1993.

The former Tory MP said he checked into the Ritz at 10.30pm on September 17, intending to stay one or two nights. He then discovered that his wife and daughter had already left — but put the last-minute change of plan down to his wife's "impulsive" nature.

He said his wife returned to the Ritz on Sunday from Switzerland. He checked out of his hotel room around 1.30pm and caught a train to Geneva to spend some "quality time" with his daughter on Sunday evening, he said. Mrs Aitken had lunch with friends before paying his bill two hours later using $3,000 he had given her for the trip.

Mr Aitken resigned from the Cabinet two months after the Guardian and World in Action published the allegations in April 1995.

The former Chief Secretary to the Treasury is also suing over claims that he procured prostitutes for Arabs, was financially dependent on them, and was involved in secret arms deals.

The Guardian and Granada TV deny libel, pleading justification. The trial, which is being held without a jury, continues today.

Prague Writers' Festival 1997

Texts for Nothing - Texty pro nic

The 7th Prague Writers' Festival presents a selection of fine authors from the Czech Republic and around the world. Meet them at the Franz Kafka Centre, Old Town Square, at 7pm from 24 to 28 June.

Tuesday 24 June	
E.L. Doctorow	USA
Martin Vopěnka	Czech Republic
Nuala Ni Dhomhnaill	Ireland
Viola Fischerová	Czech Republic
Wednesday 25 June	
André du Bouchet	France
Roland Jooris	Belgium
Vladimír Křivánek	Czech Republic
Giuseppe Conte	Italy
Thursday 26 June	
Aharon Appelfeld	Israel
Zinovy Zinik	Russia
Jana Štroblová	Czech Republic
Raoul Schrott	Austria
Friday 27 June	
Janice Galloway	Great Britain
Igor Pomerantsev	Russia
Elena Stefoi	Romania
Dimitris Nollas	Greece
Saturday 28 June	
Julian Barnes	Great Britain
Hanna Krall	Poland
Michael March	USA
António Franco Alexandre	Portugal

The Prague Writers' Festival is dedicated to Samuel Beckett.

For further details, please contact the Festival Director, Michael March, Revoluční 28, 110 00 Prague 1. Mobile: + 420 602 371 478

Sponsored by The Guardian INTERNATIONAL

Inside

Britain A Marseille man described by police as one the biggest drugs traffickers in Europe was beginning a 12-year jail term in the Netherlands 4

World News Confusion surrounded the fate of Pol Pot as the Cambodian government ended speculation that the Khmer Rouge leader had surrendered 10

Finance LVMH splashed out £792 million to buy a major stake in Grand Metropolitan, which is planning a £25 billion merger with Guinness 16

Crossword 15

Comment and Letters 12
Obituaries 14
Sport97
Quick Crossword 15
Weather, TV and Radio 16

25
9 770261 307354

William Hague aged 16 giving a precocious speech to the Conservative Party conference in 1977 (left), winning the Richmond seat by a narrow majority in 1989 after a byelection (centre), and during the leadership campaign

Hague's new generation of 'full-

Leader pledges firm but fair reign

Michael White
Political Editor

NOW to the tricky bit. William Hague has won the Tory leadership amid bitterness and recrimination not seen in the party for at least three months. What happens next? Unity is the word on all Tory lips. The rosy scenario offered by the rival camps is that after five years of steady disintegration they will, as Mr Hague said last night, "be at least as hard on our real opponents as we have been on each other".

Confronted with his unexpectedly convincing majority, 92 votes to 70, in the third ballot — albeit from a truncated electorate of 164 voters — Conservative MPs will be expected to respond to the smack of firm but fair leadership, to unite as they never did during John Major's troubled second term. All were agreed that the clear result was a bonus.

"I am offering the hand of friendship and co-operation to all members of the party," the new leader said outside the Commons after addressing backbenchers. He pledged himself to offer Kenneth Clarke a senior position in the shadow cabinet, unaware at that stage that his rival had decided it was the leadership or nothing after 26 years on the front bench. He was told 15 minutes later.

It was also assumed that the likes of Michael Heseltine and John Gummer will step down — or be pushed aside — and let a new generation take their place. Names such as Michael Ancram, John Maples, David Heathcoat-Amory and Francis Maude were being mentioned, as well as Mr Hague's dapper, diminutive campaign manager, Alan Duncan, dubbed the "Tory Peter Mandelson." But some will be put off by Mr Hague's stress last night on "full-time" shadow jobs. "I want to go off and make some money," one ex-minister protested.

As for the promised imposition of New Labour-style discipline — "we've got to learn from Blair," MPs say — it is asking a lot of a body of men and women who show few signs yet of grasping the scale of their defeat on May 1. Put another way, is it worth becoming leader of the party in June 1997, when they probably face a 10-year struggle, if lucky, to dislodge a formidably well-entrenched enemy with a Commons majority of 179?

If 36-year-old Mr Hague wondered whether he was making a pointless sacrifice, risking being a has-been at 45 or the "provisional party leader" pending Michael Portillo's return to Westminster (Lady Thatcher's alleged phrase) he did not wonder long. The moment to hedge his bet was when Michael Howard (56) offered him the No. 2 spot.

He slept on it and changed his mind: to become the youngest Tory leader since the Younger Pitt — another William — in 1783. Much derided at the time, Pitt, at 24, took over from the opportunist left-right coalition of Charles James Fox and Lord North. "Clarke and Redwood," Tory MPs murmured last night.

But voters cannot have much idea how good a leader Mr Hague will be, any more than they know how good Tony Blair will be over the long haul. New acolytes like Lord Archer say Mr Hague has "grown a foot" during the campaign. Genuine admirers say he is tougher than his diffident tone sounds and that John Major Mark II comparisons are facile and wrong.

Ideologically he stands accused of lacking strong convictions, despite that premature Thatcherite speech in 1977. That is the impression he has often given in campaign speeches and press conferences: he can be pushed, as the shifts on Euro-theology suggested. The leader himself says otherwise. "I am not always as friendly as I look."

But Mr Hague has problems. He has been an MP only since 1989, famous before then for a brilliantly precocious anorak's speech at the 1977 Tory conference. He is clever; McKinseys do not hire 24-year-old management consultants for six figure salaries who are not. But he is young and, despite premature gravitas and baldness, he *feels* and *sounds* young. Yet he has the Howards, Lilleys and, behind him, the Clarkes to deal with. He is also getting married to Ffion, "Jolly" to her friends. She looked jolly enough at her fiancé's coronation at party HQ last night.

One Tory ex-minister pre-

Stop that bellyaching at the back

Sketch

Simon Hoggart

THE result was announced, and in the Committee Corridor a woman of a certain age, described as a Tory MP's assistant, let loose a bloodcurdling cry. "Aieee!" she shouted. "Ye-e-e-s! There is a God looking after the Conservative Party!"

It was like that scene in When Harry Met Sally, except this time the orgasm was real. A few people murmured: "I don't want what she's having." "Urrgh-oh! Oh!" went the woman.

This election has been going on for so long that one half-expected Ken Clarke's spin doctors to say that second was a far better result than they had expected, and that Ken would be well placed for the next round . . .

Moments later the new Leader marched past us to speak to MPs and peers. His remaining hair was yellow and glossy, his tie was yellow and glossy, and it looked as if his pate had been french polished. Put a pair of glasses on him, and he'd look very much like Harry Hill, the cult comedian, with the same surrealist undertow to almost everything he says.

After the speech Jeffrey Archer told us: "I wish you could have been there. He was marvellous. He grew another foot."

A third foot, to go with his triple-breasted suit! And we thought John Redwood was visiting from a nearby planet.

On television his mother, Stella Hague, was explaining how her son hadn't planned any of it. "Who knew that Michael Portillo would lose, or that Michael Heseltine would be ill?"

Maybe so, but why did we all feel that his acceptance remarks had been scripted 20 years ago in the same hotel room that he wrote his famous Blackpool conference speech? It sounded elderly enough:

"The Conservative Party has placed a great responsibility on me . . . done me a great honour . . . road to unity and confidence . . . collective responsibility . . ."

The phrases rolled out like sludge from a sump. There was a certain frozen look on the faces of his team. Could the terrible, unspoken truth be that he is — above all else — terribly, majestically, thunderously boring?

In the background you could see a few Labour MPs, grinning. But they did that in 1975, when Mrs Thatcher won.

And while the new leader is thought to be 67 in Hague years, in human years he is only 36. Which means that in 10 years — when the Tories have their best chance of returning *from* the fringe — he will be older than Tony Blair is now.

The caravan moved on to Tory Central Office, where John Major was to make a ceremonial handing-over of the Leadership. What form would this take? A gavel? A sceptre? A brown envelope full of £50 notes?

It turned out to be an exchange of flattering speeches. Mr Major called Mr Hague "the most outstanding young political talent of today".

"Whichever way we chose today, we could not lose," Mr Major continued. "Yes, because you weren't standing," muttered one party disloyalist.

Finally the new leader addressed us. He warned that there would have to be changes. That everyone would have to work hard. That he would "sweep away a lot of old cobwebs". (Has anyone ever pledged to sweep away new cobwebs?)

Then one mighty, resonant line: "I will tolerate no bellyaching!" If he's so young, why does he sound like an elderly house master in a minor public school? Why does he sound so much like Harold Wilson?

"Let us not abandon our principles! The Labour Party made that mistake, and now they find themselves in . . ." (In government? one thought.)

He may do terribly well. He might be boring, but by golly he is clever. You just have to ask what will happen if things don't go as well as they might, and if Michael Portillo and Chris Patten are around next time round.

In the meantime, you at the back, no bellyaching!

Redwood's fatal miscalculation

THE GAMBLE THAT FAILED

Ewen MacAskill, Chief Political Correspondent

THE initial response of Kenneth Clarke's team last night was to blame John Redwood for the gamble that failed. A member of the Clarke team "did not believe in kicking a colleague when he is down" but it was Mr Redwood who had failed to deliver his side of the bargain.

The Clarke supporter added: "You just have to look at the arithmetic." Mr Clarke received 64 votes on Tuesday and only six more yesterday. The implication was that only six of Mr Redwood's 38 supporters switched to Mr Clarke, with the rest going to William Hague.

But it was not that simple, as some members of Mr Clarke's team were prepared to admit. One acknowledged that some of Mr Clarke's 64 supporters on Tuesday night had switched to Mr Hague, disgusted with the prospect of Mr Redwood becoming shadow chancellor. An MP who had voted for Mr Clarke on Tuesday but Mr Hague yesterday said: "There are colleagues who just hate Redwood. It would not have mattered if we had offered him National Heritage but we could not stomach him as shadow chancellor."

Former minister Peter Bottomley said: "I thought Mr Clarke would lose about 10 per cent of his vote as a result of this alliance. In fact, he probably lost 20 per cent and Redwood brought only about 10 or 12 of his supporters over to the Clarke camp. John Redwood clearly carries less clout than he thought he did."

There were two decisive calculations this week. On Monday evening, Mr Hague appealed to Mr Redwood's Eurosceptics by saying he would not have anyone in his shadow cabinet sympathetic to the single currency. Any objective analysis would have suggested at that point that the bulk of Mr Redwood's support, all Eurosceptics, would go to Mr Hague rather than Mr Clarke.

At first it looked as if Mr Hague's appeal had backfired, alienating not only the pro-Europeans but even some of the right. It was obvious last night, however, that Mr Hague's calculation, though brutal, had proved correct.

John Redwood: Smile froze as Thatcher backed Hague

The other calculation was the one that brought together the strange Clarke-Redwood axis on Wednesday. From Mr Clarke's point of view it made sense. He had maximised the vote from the Tory left and needed help from the right to win. The real gamble was Mr Redwood's. If he had backed Mr Hague, in a coalition of the right, he would have guaranteed a good shadow cabinet job for himself and kept a strong core of supporters. But his axis with Mr Clarke upset many Redwood supporters who refused to follow him. It was also seen as unprincipled by other Tories. One Hague MP said yesterday that his wife had been so outraged that she had considered leaving the Conservative Party.

At midday on Wednesday, when Mr Clarke and Mr Redwood held their joint press conference, it looked like a brilliant tactic that would deliver the Tory leadership. Within minutes, Mr Redwood's smile froze when a reporter informed them that Baroness Thatcher, who had until then had his loyal, almost slavish support, had come out in favour of Mr Hague. As the day went on, Mr Redwood seemed more and more haunted as news came through that his supporters were slipping away.

Iain Duncan-Smith, one of the cleverer Tory right-wingers, had been close to Mr Redwood from the start of the leadership contest. He confirmed yesterday, before voting ended, that he had switched to Mr Hague. To lose such a previously loyal follower should have been enough to tell Mr Redwood that his gamble had failed.

Mr Redwood now has someone even younger than him as leader, less easy to bump off in a couple of years' time than Mr Clarke. And he has destroyed the Barmy Army.

BANK OF SCOTLAND
BANKING DIRECT®
INTEREST RATE CHANGE

With effect from 18th June 1997, interest rates payable on the undernoted account have changed.

BANKING DIRECT INSTANT ACCESS SAVINGS ACCOUNT

	Gross%*
£10,000 and above	6.25
£5,000 to £9,999	5.75
£500 to £4,999	5.00

BANK OF SCOTLAND
BANKING DIRECT®

*Gross – The annual rate of interest payable without the deduction of lower rate tax to eligible non tax-payers. Interest payable annually (monthly option available). Interest rates subject to variation.

Bank of Scotland Banking Direct and [illegible] are registered trademarks of The Governor and Company of the Bank of Scotland.

Blair relaunches 'more exciting' Dome

Continued from page 1

tent in the Dome, he said: "It needs a lot of public participation. The public will have to say what it wants."

The Government's only financial condition was that the exhibition should absorb no additional public expenditure. The current budget allows for an initial commitment from lottery funds of £200 million, matched by £200 million from the private sector, and at least £180 million from ticket sales.

Of that, an estimated £30-£50 million alone is being spent cleaning up the contaminated landsite, once owned by British Gas.

The Cabinet also ruled that the project must:

☐ provide a "lasting legacy" — be a permanent rather than a temporary structure;

☐ be reworked in concept and content, to reflect the idea that it is more than just a building, and will give Britain "a window to the future";

☐ have a dynamic new management structure, to include figures from business and the arts to give it "added weight and drive";

☐ relate to the whole nation, through educational and technological links.

Downing Street sought to play down opposition to the scheme by some cabinet members, although a spokesman said Mr Blair had pushed for it to continue on the grounds that "there must be a major statement putting Britain firmly on the map in 2000".

Downing Street tried to blame some of the project's lack of progress on the previous administration by insisting that "the plans as inherited need a lot of work on them".

Above all, it stressed concern about media opposition to the scheme. The Sun, for example, has waged a "Dump the Dome, Tone" campaign. Officials say one drawback of the blueprint is that most members of the public do not understand what it represents.

"One of the main tasks is to raise Britain's standing, just like the 1951 Festival of Britain," they said.

London First, the organisation representing the capital's businesses, welcomed the news, but said it was critical that the project be promoted to a wider audience beyond "the elite" of the arts world and politicians, and that the private sector be fully involved in funding and management.

The Millennium Commission, which awarded the £200 million of lottery money, said it was delighted that the exhibition had the Government's backing.

David Quarmby, chairman of the British Tourist Authority, which promotes Britain abroad, said: "We welcome the decision to go ahead.

"It will be the jewel in the crown of millennium year in Britain and could account for bringing an additional £300-£500 million of overseas visitor revenue to Britain in the year 2000."

Dome news

February 24, 1996: Greenwich beats Birmingham to host £350 million exhibition

Feb 3, 1996: Ministers appoint company at cost of £15 million to stoke up business interest

June 5, 1996: Michael Heseltine attempts to persuade business to raise funding £150 million

October 31, 1996: Plans for Millennium Dome revealed with little detail

December 6, 1996: Millennium Commission reveals costs expected to rise to £700 million, prompting Labour doubts

January 18, 1997: Talks between Tories and Labour save project after Labour suggests it may not fund it if elected

June 11, 1997: Treasury attempts to kill it off the dome

June 19, 1997: Labour tells Greenwich to continue but imposes new conditions

هكذا من الأصل

And the contenders were...

Kenneth Clarke

Born: July 2, 1940 in Nottingham

• Feb 63: Elected president of the Cambridge Union

• Apr 72: Became an assistant whip

• May 79: Became Parliamentary Secretary for Transport

• Mar 82: Promoted to Minister of Health

• Jan 84: Promoted Privy Counsellor

• Sep 85: Promoted to Cabinet as Paymaster General

• Jun 87: Unwelcome transfer with Lord Young to DTI after post-election reshuffle

• Jul 88: Promoted to Health Secretary and refused to return from Spanish holiday to deal with nurses' pay dispute

• Jan 89: Published blueprint for NHS reforms

• Nov 90: Replaced John MacGregor as Education Secretary

• Apr 92: Named Home Secretary

• May 93: Appointed Chancellor after Lamont sacked

• Jun 1997: Lost close fought battle for Tory leadership

William Hague

Born: March 26, 1961 in Rotherham

• Oct 77: At 16, described by Mrs Thatcher as "possibly another young Pitt" after rousing Thatcherite speech to Tory conference

• Dec 80: Became president of Oxford University Conservative Association

• Jan 81: Elected president of Oxford Union

• Jun 87: Contested home seat of Wentworth, losing by 20,000

• Nov 88: Selected to replace Leon Brittan in Richmond, North Yorkshire

• Jan 89: Squeaked in to Commons despite dropping 24 per cent of poll and 47,000 of Brittan's majority

• 1990: Became PPS to Norman Lamont

• 1993: Junior Social Security Minister

• Jun 95: Replaced John Redwood as Welsh Secretary, reversing many of his policies

• Jun 97: Elected leader of Conservative Party

Kenneth Clarke after his defeat yesterday. He declined a seat in Mr Hague's shadow cabinet PHOTOGRAPH: SEAN SMITH

n of 'full-time' shadows

dicts Mr Hague will not behave as he said he would during the campaign. "Ken portrayed himself as a healer and unifier. But actually he would have been very tough, able to point to the diminutive figure of John Redwood at the other end of the platform. William is on approval. He hasn't Ken's roots in the party, he'll have to weave and duck."

What, if anything, he offers Mr Redwood is one test. How to solve the single currency row is another. "He'll have to take the whip away from Europhile rebels. We're a Eurosceptic party now," said one MP. He threatens discipline. For the moment he may not dare.

In his first leader's speech, Mr Hague said creating an effective parliamentary opposition would be his first task. Labour was "adrift on a sea of opportunism" and could be unseated in one term, he claimed. They must start with next year's local elections, then the Euro-poll in 1999.

In organisational terms the new leader, like all five runners in the six-week campaign, promised a drastic shake-up, to improve the machine at Tory Central Office, battered by the Mawhinney years and election defeat, but not so deep in debt as in 1992. Mr Blair's shake-up, from Sedgefield all the way to Millbank Tower, has won its admirers.

That means appointing a new chairman capable of running 32 Smith Square. He — or Gillian Shephard — must also revitalise the demoralised grassroots organisation, attracting young people into the party, not just pin-striped ideologues, and offering activists more involvement in return for the greater discipline (and central direction) which modern elections require.

The most striking change will be to extend the franchise for electing new leaders, so that local activists get 15 or 20 per cent of the votes. Mr Hague believes there are "only two logical options," the present MPs-only franchise or a vote for all party members. He is not committed on what share of the new electoral college activists will get. Tory MPs will want it to be small, but their prestige is low after May 1.

The creeping democratisation is a triumph for the small much-mocked Charter Group of Tory activists, but they will not get the credit or share the glory of big jobs. For the next generation of high-flying Tories (taxi-ing along the runway, if not airborne) voters must look to the men and women, some newly-returned to Westminster, who backed Mr Hague early. Mr Maude could easily be shadow home secretary, Mr Ancram could do environment, Mr Heathcoat-Amory be chief secretary under shadow chancellor Peter Lilley. Michael Howard may go to the Foreign Office.

Last night Mr Hague told his troops to look ahead, though his speech was redolent with echoes of Churchill and large chunks from General Montgomery's message to the Eighth Army before Alamein, curiously nostalgic for a Meat Loaf fan. "I will tolerate no belly-aching," Montgomery said at the nadir of British military fortunes in 1942.

So did Mr Hague last night. With Mr Blair as Rommel he has just as far to go.

'I'm not always as friendly as I look'

Tories take a stride away from Europe — and history

Commentary

Hugo Young

A SMALL majority of the parliamentary Conservative Party yesterday took a very big decision. They voted to define the Tories as the anti-Europe party. That was the main meaning of William Hague's victory, the bait he offered, the issue on which he proposed a radical break with the immediate past. Thus prompted, they took a stride away from history, for which they will pay a price among many who once backed them.

Not everyone did this with their eyes open. Many were pretending within minutes that unity was certain to encompass MPs on every side of the great question. That is what most politicians, especially the winners, want to find a way of saying after a party has torn itself apart. But it was not what Mr Hague offered. And as Kenneth Clarke immediately showed, it is not what he has got.

Mr Clarke made a diplomatic exit. He was as undivisive as he could be, with all his talk about always having intended to go to the backbenches. But there is no doubt that Mr Hague's assertion on Monday that membership of the shadow cabinet would be confined to people pledged to his own instantly-promulgated 10-year veto on British participation in the single currency, invited Mr Clarke to accept total humiliation.

This speech was the defining moment. It offered a version of clarity, an absolutist position, which 90 MPs supported. It set terms that one wing of the Tory party could never accept. It put the party on course for straight Euroscepticism, not only against the single currency but against every piece of practical Europeanism that comes up. Among other bits of the Hague platform, soon no doubt to be collectively agreed, were the unscrambling of the Amsterdam Treaty and a fatuous demand for the unilateral rewriting of the Treaty of Rome.

This historic shift does have something to be said for it. It ends some of the confusion. Even some Clarke supporters were burbling about the need to gather round the new leader. It will be a jarring shock to find a Tory leadership freed, after all these years of torment, to say exactly what the most xenophobic, anti-German, anti-Europe sections of the rightist press have been saying for years.

In a broader sense, Mr Hague's election is the delayed revenge of the Thatcherites for what happened in 1990. The party is unequivocally back in their hands, led from the right, where the noisiest heart of modern Conservatism beats. That, too, is a sort of clarity. The least alarming harbinger for Mr Hague is the fact that most of the local party chairmen were backing Mr Clarke. They will be the first to come round. The party conference, we can already be certain, will bury the memory of May 1 in the ecstasy of June 19.

For Mr Hague, as he planned, has no enemies on the right. Least of all will he bother about John Redwood, the emphatic loser in yesterday's event, whose career as a leadership cadre is dead. Hated by the right for treachery, he will now be ridiculed for impotence. He was able to lead hardly anyone towards his vision of a party united around the Clarke-Redwood axis. The size of Mr Hague's majority showed that this proposition was something most MPs could not believe in.

Yet the facts behind it have not gone away. The alliance may have been contrived but the problem it addressed remains. If the party cannot find a way to mimic the alliance, it will cease to be the party whose history entitles it to be called the most successful in the world. That doesn't mean bringing Mr Redwood in from the wilderness, but it does mean Mr Hague accepting that Clarkeism, like Mr Clarke himself, is not a phenomenon that can be swept by fiat into the dustbin.

The fact is that the Conservative Party cannot be united round an absolutist Europe position. Mr Clarke recognised that, and offered two expedients that played for time: deeming European monetary union to be an academic issue for the moment, and in that context proposing an agreement to differ if and when it became a question which the official Opposition could no longer avoid. By taking the opposite stand, and making it the blood-oath question here and now, Mr Hague promotes it to the top of an agenda that excludes not just a senior totemic figure but an entire tradition.

Hague's speech was the defining moment. It set terms one party wing could never accept

One man who will greet Mr Hague's arrival with delight is Rory Bremner. Not since Spitting Image perched David Steel on David Owen's knee has there been an easier target for the lethal parodist. This will probably be unfair, and it will take only a couple of decent parliamentary performances by Mr Hague to establish that he is not in short trousers.

He knows that underlying this entire election has been an unreality it has heavily disguised: namely, that the inheritance may not be worth having anyway. Leading the party will be a very hard job, irrespective of the politics. What is there left to lead? The Thatcher-Major years controlled a government but destroyed a party, as many ex-MPs found to their astonishment last month. Other countries — France, Canada — have shown that electorates can swing very fast as far one way as the other, but there needs to be an organisation in place for them to believe in when the Government loses their fickle admiration.

Rebuilding the machine is part of that. But it is nowhere near as important as doing what Mr Clarke and Mr Redwood showed, with quixotically little preparation, had to be done. Defining Conservatism as down-the-line anti-European is not the way to do this. It gratifies a lot of illusions about why the election was lost, and satisfies the passions that have taken over what once passed for the brain of the Tory party. But in the country, which has saner interests, William Hague begins by being leader not of a party but a sect.

Quotes

'I am determined that no grudges will be borne by any member of our party as we look back at the election. We all start from a clean slate. It is my responsibility to lead this party and to heal this party and bring people together'
– William Hague

'He will make a fantastic leader, and I have supreme confidence in him, he has tremendous abilities'
– Stella Hague

'I feel the need to see a priest'
– Angela Browning, a John Redwood supporter, after voting

Ex-MPs seek route back

WAITING IN THE WINGS

On the left: Chris Patten, the former Tory chairman

On the right: ex-defence secretary Michael Portillo

Rebecca Smithers
Political Correspondent

FRIENDS of Michael Portillo, the former defence secretary dumped by the voters at the general election, say he has been observing the extraordinary events at Westminster somewhat relieved to be on the sidelines.

But the more rightwing Tory MPs who regard him as their natural leader still hold out hopes for his eventual political comeback.

Mr Portillo has declined to offer his personal endorsement of any of the leadership contenders, although friends are not ruling out the possibility of him offering advice to Mr Hague.

The loss of his Enfield, Southgate seat was a heavy personal blow, but Mr Portillo is said to be considering his future very carefully, and is in close contact with those of his colleagues who are the "standard bearers" of the right. Aged 44 and still fiercely ambitious he could still make a credible comeback, in their view, and as a highly experienced former cabinet minister could be a vital weapon in the Tories' fight to win the next election.

Whether he still has any chance of becoming leader depends on how Mr Hague heals the party's deep wounds in the short term. Some believe it would be useful to have him as a "leader in waiting" should things go horribly wrong for the relatively inexperienced new leader. But others are less convinced that Mr Portillo could still have a role leading the Tories.

He will look carefully at any byelection opportunity that comes up, but there will be fierce competition for any such openings.

On the left of the party, Chris Patten, the governor of Hong Kong and former Tory chairman, is known to be seeking a route back. His pet phrases are that he is likely to seek "a big job", or "something in public service".

Mr Patten, who was named last year by John Major as his favoured successor, is to write a book on what Europe and Asia can learn from each other once he has handed Hong Kong back to China at the end of this month. But he is also believed to be eyeing up the byelection opportunity likely to be presented when the former deputy prime minister Michael Heseltine gives up his plum Henley seat.

He recently turned down the offer of one top international post, UN envoy in Bosnia, in an apparent sign that he is keen to settle in Britain sooner rather than later.

There has also been speculation that Mr Patten could replace John Major as MP for Huntingdon, assuming that the former prime minister eventually takes a seat in the Lords. But in a television interview earlier this year Mr Patten said that while he planned to remain in public service, it was highly unlikely that he would be a future contender for the party leadership. He said: "Political history is littered with examples of grandees who thought they could parachute into constituencies and fetched up breaking both legs. So I'm pretty realistic about the whole process."

Quotes

'I've retained my enthusiasm for politics and it might wear off if I carry on shadowing. I propose to take an active part in politics from the back benches, giving my unstinting and loyal support to William Hague'
– Kenneth Clarke

'William Hague will do a good job. It is up to us to treat him better than we treated John Major'
– Peter Luff MP

"We have chosen a leader who will be representing the 21st century'
– Tim Yeo MP

McDonald's wins pyrrhic victory

David and Goliath 315-day libel case leaves burger giant tainted

John Vidal and Alex Bellos

ENGLAND'S longest civil trial ended dramatically yesterday with the $30 billion-a-year McDonald's Corporation winning an incomplete victory against two unemployed anarchists who defended themselves.

After a 315-day trial, estimated to have cost McDonald's £10 million, Mr Justice Bell ruled that the United States corporation and its British subsidiary had been libelled by most of the allegations in a six-page leaflet first distributed more than 10 years ago. He awarded the company damages of £60,000 against the two defendants, Helen Steel and Dave Morris.

But in a judgment that may haunt the British fast food industry, the judge ruled that the leaflet was truthful when it accused McDonald's of paying low wages to its workers, being responsible for cruelty to some animals and exploiting children in its advertising campaigns.

In an epic David and Goliath battle spread over three years, McDonald's sued Mr Morris, a former postman aged 43, and Ms Steel, a former gardener aged 31, over a long-running campaign by a small anarchist group. The campaign accused the burger giant of, among other things, poisoning its customers, cutting down rainforests, exploiting Third World countries and employing cheap labour.

Both sides claimed victory yesterday. Paul Preston, the president of McDonald's UK, said that the company had been completely vindicated, while Mr Morris said: "The court of public opinion is much more important that a High Court ruling."

Mr Morris said the activists would take their fight to the European Court of Human Rights, to challenge Britain's "oppressive" libel laws. They had lost the case on a "technicality", he said.

There were immediate calls for McDonald's to review the way it targets young children with a $2 billion-a-year marketing budget, and to cease selling chickens that have been cruelly treated. A spokesman for the company said it would consider its position over the next few days.

Mr Justice Bell took more than two hours to read out a 45-page summary of his 800-page judgment. He rejected a counter-claim for damages by Mr Morris and Ms Steel who alleged that they had been libelled by McDonald's in the burger giant's reply to their allegations.

McDonald's said yesterday it would not seek costs or pursue the two activists to the point of bankruptcy.

But in an act of defiance the pair immediately handed out the same pamphlet to crowds outside the law courts, shouting: "Judge for yourselves, read the leaflets. We will not be silenced."

The epic courtroom drama has already been covered in a book and television series and has its own Internet site — which has been accessed by 12 million people — where the leaflet has pride of place.

Long slow battle, page 6;
Leader comment, page 12;
Empire of burgers, page 13

Boy, 13, dies after taking ecstasy

Drug's youngest victim sparks police warning about new tablet

Alex Bellos

A BOY aged 13 who collapsed after taking three ecstasy tablets died in hospital yesterday. Andrew Woodlock is believed to be the youngest victim of the drug, which has been blamed for more than 60 deaths this decade.

He was admitted to Monklands district hospital, Airdrie, on Saturday with two friends, Steven Wilson, aged 15, and Brendan Ferguson, aged 13. The pair were alleged to have taken two and one tablet respectively and were discharged after treatment.

It is understood that the decision was made to switch off Andrew's life support system after tests yesterday showed that his brain had ceased to function. A hospital spokesman said he died at 5.30pm with his family at his bedside.

Andrew is said to have taken the class-A drug while out playing with his friends. His mother, Phyliss Woodlock, found the three children staggering around a park.

She said: "Andrew seemed to be in an agitated state. He kept flicking his hair and twitching. His eyes were bulging out of his head. I started to rush him back to the house.

"Once in the house he started drinking gallons of water and being sick over the sink. It was terrible to watch — he was pulling at his hair and his skin."

The incident prompted a police warning of a new type of ecstasy tablet, diamond-shaped and off-white in colour, that they fear may be circulating.

David Macauley, the campaign director of Scotland Against Drugs — which is about to launch a national drugs awareness week — offered condolences to Andrew's parents at "such a tragic waste of a young life".

He said: "I am appalled that another young life has been taken in this way. It is becoming increasingly clear to me that youngsters are receiving the wrong messages from those who should know better about the effects of drug-taking.

"I have today written to the Prime Minister Tony Blair and Scottish Secretary, Donald Dewar, calling for something to be done about those groups who receive public money and then try to peddle the myth that drugs can be taken safely."

A man aged 22 appeared in private at Hamilton Sheriff Court yesterday charged in connection with the misuse of drugs at Bellshill on Saturday.

Two teenagers — a boy aged 13 who cannot be named and Steven MacFarlane, aged 19, of Holytown, Lanarkshire — appeared in court in private at Hamilton on Tuesday. Full details of what the three are charged with have not been disclosed.

Up to 500,000 ecstasy tablets are believed to be taken by young people every weekend. Public outrage at the dangers was highlighted in 1995 when Leah Betts died after taking one on her 18th birthday.

A recent study found that 87 per cent of those attending Scottish raves had tried ecstasy.

The Guardian Friday June 20 1997

A level results boom faces bust, predicts US professor, as 'less academic' siblings come of age

First born 'best at exams'

Donald MacLeod
Education Correspondent

FIRST BORN children do better at exams and this explains why A level results have improved dramatically over the past 15 years, according to an American study to be published next month.

Robert Zajonc predicts that A level pass rates will start to fall this summer and continue falling until the end of the century because the proportion of first born children taking the exam is dropping as the second postwar bulge works its way through the schools.

If he is right, a setback to the years of improving results could embarrass the Government and intensify the debate about scrapping A levels in favour of a baccalaureate system.

As the birth rate has fallen over the past 30 years the proportion of first and second born children has increased, relative to the resulting smaller number of younger siblings. Exam scores have improved in step, said Professor Zajonc, of Stanford university, California, in an article to be published in the journal American Psychologist.

A sharp fall in A level results and US Math Scholastic Assessment Tests (SATs) in the 1950s was linked to an increase in the proportion of later born children taking the exams.

"The correspondence between the test trends and family trends is remarkable," said Prof Zajonc, who argues that studies of individuals have failed to pick up the importance of birth order in children's academic progress.

Surprisingly, only children tend not to perform as well as elder children in families of two or three. He is himself an only child.

Prof Zajonc said a first born child not only interacted more with adults and was exposed to a more sophisticated vocabulary than later siblings, but it also benefited from "tutoring" younger brothers or sisters. An only child would not have this experience.

A younger child lives in a less adult environment, because of the presence of the other children. "The pool of words in which she is immersed is restricted, more primitive," said Prof Zajonc.

The practical implications of his finding were not to insist on birth control to produce more two-child families but for primary schools to adapt their lessons to include peer teaching.

"Half of a class could be instructed about decimals. The other half could learn about the lowest common denominator. Then after each has acquired some minimal understanding, they would teach each other," he said. "Impressive improvements in a variety of skills have been achieved through such reciprocal teaching procedures."

Alan Smithers, of Brunel university, supplied data to Prof Zajonc, but he is sceptical that birth order explains the improvement in A levels. Class was a factor, he said yesterday, with working class families having fewer children while the number of middle class families had increased.

But the main reason for improving exam and test results was that teachers and students had become more familiar with procedures and what was required. "In the same way that it became easier to run a four minute mile."

A levels used to have a set 70 per cent pass rate until the early 1980s. Once this artificial ceiling was removed and students were judged against a set standard, pass rates had increased steadily, said Professor Smithers.

Cardinal Hume and his congregation at St Dominic's Priory yesterday. He said St Richard of Chichester school had shown 'care and concern for every pupil' PHOTOGRAPH: GRAHAM TURNER

Praise for school Blair shunned

Donald MacLeod
Education Correspondent

A CATHOLIC school rejected by the Blairs for their son and ordered by the Government to close was praised for its caring attitude to pupils by Cardinal Basil Hume, Archbishop of Westminster, yesterday.

In a mass to celebrate the 40th anniversary of St Richard of Chichester school in Camden, north London, Cardinal Hume said no one could point a finger at the former secondary modern, although it had struggled to achieve the required academic standards.

"It did a great deal for a great number of young people who have every reason to be grateful," he told a big congregation at nearby St Dominic's Priory. "We are celebrating the good things that have been achieved, especially the care and concern shown for every pupil. That part of education was a success, and don't forget it."

Tony and Cherie Blair decided not to send their son Euan to St Richard's, which is near their Islington home, and opted for the grant maintained London Oratory school in the borough of Hammersmith and Fulham.

Stephen Byers, school standards minister, announced the closure of St Richard's with the local authority's agreement last month, saying it had failed to raise standards in "three years of drift" after a critical inspectors' report. Only 8 per cent of its GCSE pupils gained five or more A to C grades last year.

There was intense resentment at St Richard's over the way the announcement was handled. Paul Segalini, the head teacher, who was once a pupil at the school, said staff had been working towards closure since November while maintaining the curriculum.

"Was it really necessary for those who purport to have the best interests of children's education at heart to go about this process in quite so damaging a way?" he asked.

Numbers have fallen to below 200, a third of them Catholics. Pupils due to sit GCSE exams next summer will stay at the school. The younger ones are being dispersed.

Places had still to be found for about 30 pupils, and they were feeling the pressure, said Sheila O'Keeffe, the deputy head.

"Many staff have only joined in recent years and have worked hard to lift everything," she said. "They are going far beyond the call of duty to get the best for students. Some don't have jobs for next year."

News in brief

Boxing promoter held in VAT inquiry

BOXING promoter Frank Warren was last night being questioned after being arrested by Customs and Excise officers investigating alleged VAT evasion.

Mr Warren, who has made millions of pounds promoting stars such as Frank Bruno, Nigel Benn and Prince Naseem Hamed, was detained with another man following raids in Essex and Hertfordshire yesterday morning.

A spokeswoman for Customs and Excise's national investigation service said: "Three premises in Essex and Hertfordshire were searched. A quantity of documents were removed from these premises." — *Nick Varley*

EastEnders creator dies

JULIA Smith, co-creator of BBC1's EastEnders, died yesterday morning at the Royal Marsden hospital, west London, after a short illness. She was in her mid-60s.

The BBC's director of television, Alan Yentob, said: "Julia's feel for drama, her drive and energy were legendary in her 30 year programme making career at the BBC. There can be no more visible and enduring tribute to her distinguished track record in creating high quality, popular drama than BBC1's EastEnders."

Series producer Jane Harris said: "EastEnders owes everything to Julia." Obituary, page 14

Britons in car plunge

A BRITISH tourist is in a coma after becoming trapped in a car which lurched off a wharf in California and landed upside-down in the sea.

Nigel Sims, 41, who was a passenger in the hired car, was trapped for at least 10 minutes before rescuers could free him. His companion, Kathy Hope, 48, who escaped with cuts, was treated for shock.

The couple, from London, had flown into San Francisco just 24 hours before the accident, in Santa Cruz on Tuesday.

Lieutenant Joe Haebe, of Santa Cruz police, said Ms Hope was trying to park the car, an automatic, on the wharf when her foot hit the accelerator instead of the brake, sending the car into the sea.

Gang attacks blind student

POLICE are hunting a gang who attacked a blind student with an iron bar, stubbed out a cigarette on his face and stole his jeans, watch and wallet.

Christopher Johnson, 21, was walking home when he was set upon by four men at 12.15am yesterday in Harborne, Birmingham.

He was yesterday recovering from his injuries, including a blow to the head.

Security vetting appeals

ABOUT 350,000 employees working in Whitehall and in companies engaged in government contracts will be able to appeal against refusal or withdrawal of their security clearance to a new independent body, Tony Blair announced yesterday.

An independent security vetting appeals panel will be set up under a High Court judge, Sir Anthony May. Previously, staff denied security clearance could only appeal within their departments. However, the new panel will not be available for staff of the security and intelligence services, and the panel will deliberate in private. — *Richard Norton-Taylor*

Gallons of help for spiders

A WATER company that has banned hosepipes has been given the go-ahead to use more than 150,000 gallons a day to save a handful of rare spiders.

The scheme by Essex and Suffolk Water was originally blocked by the Environment Agency, but it has now given permission to pump water on to the Redgrave and Lopham fen, in Suffolk, one of only two places in the country where Britain's biggest spider, the Great Raft spider, survives.

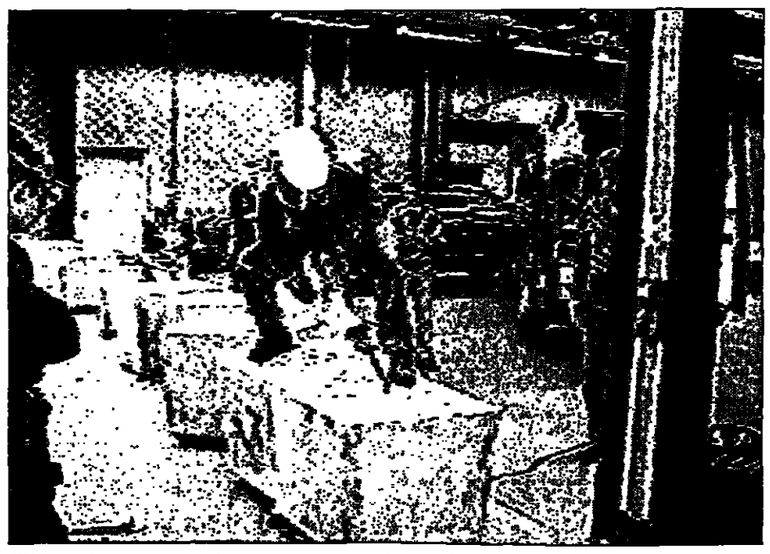
The driest conditions in the region for 200 years have led to water levels in the ponds dropping by more than a foot, threatening the breeding cycle of the spiders.

Secret lives of epileptics

MILLIONS of epilepsy sufferers are forced to live secret lives because of public prejudice and misunderstanding, the World Health Organisation and epilepsy charities said yesterday.

The WHO, the International League Against Epilepsy, which represents doctors, and the International Bureau for Epilepsy, which acts for patients, said 70 per cent of patients could have their condition successfully controlled with drugs, but worldwide three-quarters received no treatment. — *Chris Mihill*

Duncan Campbell on the breaking of 'an entire criminal organisation'



Video pictures showing the recovery of cocaine hidden inside an aluminium ingot and, centre, Curtis Warren, the drug trafficker trapped in an international police operation

How drugs Mr Big met his downfall

Customs sources put Warren in the top five drug traffickers in Europe. He is believed to own about 200 properties mainly on Merseyside

A MERSEYSIDE man regarded by customs and police as one of the biggest drug traffickers in Europe was jailed in Holland yesterday for 12 years.

Law enforcement officers claimed that "an entire criminal organisation" had been destroyed by the complex international operation which ended at the Hague.

Curtis Warren, 34, who described himself as a businessman from the Wirral, was found guilty of conspiring to import £100 million worth of cocaine, heroin, ecstasy and hashish. Two associates, Stephen Mee, 38, from Liverpool, and Stephen Whitehead, 34, from Oldham, were jailed for seven years each.

Judge Solco Holtrop did not give Warren the maximum sentence of 16 years because he did not accept that he was as dangerous as was claimed by the prosecution.

A spokesman for Customs and Excise who worked on the case with police from the North West regional crime squad and the Dutch authorities, hailed the result as a vindication of international co-operation.

Another member of the team, John Farrell, 34, from Manchester, was jailed for 12 months, but he will be released in two days because of time spent in custody. Three other men, Ray Nolan, 28, William Fitzgerald, 55, and William Riley, 47, all from Liverpool, have already been sentenced to three years.

Warren has had the reputation of being Europe's biggest drugs trafficker although customs sources put him more cautiously as "definitely in the top five." His wealth, however, is not in dispute. He is believed to own about 200 properties mainly in the Merseyside area and to have a personal fortune valued at £460 million.

An intelligent, sharp young man, Warren had managed until yesterday to evade punishment in the major operations launched against him. As a young man growing up on Merseyside, he was in trouble for petty crimes and handbag snatching but, coming from a respectable family, gave little indication that he would end up as someone the media called "Target One".

He achieved his position by acting more as a commodity broker — dealing in cannabis, heroin, cocaine and ecstasy — than as a drug dealer. With a small team of trusted associates he managed largely to evade personal involvement in the explosive Merseyside gang wars. "His name was enough," said one source.

Holland made sense as a base, both for Warren's personal safety but also as an easier place to run his importation chain from Turkey, Spain and South America. Rotterdam was the main port of entry for his South American operation.

By the time he left, another investigation, Operation Crayfish, was under way in Britain but customs and police linked up with the Dutch authorities, passing on the information they held on Warren. He was under heavy surveillance, apparently without his knowledge.

The drugs haul which triggered the arrest of Warren and the others involved the seizure of £75 million worth of cocaine hidden aboard a Venezuelan freighter which had docked in Rotterdam. Police and customs officers who had been monitoring the shipment for weeks found 800 kilos of Colombian cocaine concealed inside a huge aluminium ingot.

It amazed customs officers that Warren would use the same method of importation that had led to an earlier prosecution. Senior Dutch officers had been helped by intelligence from the North West regional crime squad to track the ingot, in a giant container, from the ship to a warehouse near The Hague.

Raids in Rotterdam and Amsterdam followed. Hand grenades and automatic weapons were found in addition to heroin and ecstasy.

هكذا من الأصل

هكذا من الاصل

Out of court settlements to women leap after ceiling on equality compensation is raised and employers seek to avoid bad publicity

Sex bias payouts reach record high

Clare Dyer
Legal Correspondent

WOMEN claiming they were denied equal pay, refused promotion or otherwise discriminated against at work are winning record out-of-court settlements, according to figures from the Equal Opportunities Commission.

The average settlement nearly trebled from £6,481 in 1995 to £18,732 last year. The jump results partly from a ruling in 1993 lifting the £11,000 ceiling on compensation for discrimination, but the commission believes some employers are choosing to make high out of court settlements to avoid adverse publicity.

The larger settlements are prompting more woman in middle and senior management to file claims, according to Kamlesh Bahl, the commission's chairwoman. "It was not worth their while when the ceiling was £11,000."

Settlements in 1996 include £140,000 for Christine Esplin, a £42,500-a-year clothing company personnel director who was sacked after filing a claim for the same pay as the male merchandising director.

The commission also backed Carolyn Robinson, the first female manager at Oddbins, the off-licence chain, in a test case over the so-called "long hours culture". An industrial tribunal ruled that Oddbins had discriminated against her by not letting her return to work after maternity leave on a fixed hours, jobshare, or part time basis. Oddbins appealed and the Employment Appeal Tribunal ruled in her favour, but compensation has not yet been decided.

Ms Bahl said: "The removal of the £11,000 ceiling has transformed the way equal opportunities are perceived. The higher awards make it much more difficult to discriminate. They attract greater publicity." Bigger awards also meant more employers were coming to the commission for help in setting up policies to avoid future claims.

In a number of cases, the commission also extracted undertakings from the employers to implement or strengthen equal opportunities policies.

Women are still paid on average 20 per cent less than men, "whether as board directors or sales assistants," according to the commission's annual report.

Ms Bahl said most employers still did not regard pay as a component of equal opportunities policies.

EOC successes

TOP settlements brokered by the EOC in 1996 include:

CHRISTINE ESPLIN
Personnel director of QS Family Wear PLC, claimed the same pay as the merchandise director. Sacked after bringing her claim. She alleged victimisation. Settled for £140,000 and employer's undertaking to amend its equal opportunities policy.

JULIE DARLING, TINA SMITH and LESLIE HOLT
Army recruiters who claimed they were employed on less favourable terms than men and unfairly selected for redundancy. Settled for a total of £134,000 from the Ministry of Defence.

SARAH ROLLS
Advertisement promotions manager for IPC Magazines. She was refused part-time work or job share after maternity leave. She left because child care responsibilities left her unable to work full time. Settled for £35,000 plus agreement by IPC to implement policies on maternity rights, job sharing and alternative working arrangements.

KELLY FRENCH
Senior clerical specialist with Bank of America. Claimed employers refused to allow her to return to work part time or in job share after maternity leave, then sacked her for failing to return.
Settled for £20,000. The bank is to supply EOC with copies of its equal opportunities policy and to agree to any amendments suggested by EOC.

Christine Esplin, a personnel director sacked after claiming the same pay as a male director, who was awarded £140,000 PHOTOGRAPH: ROGER BAMBER

BONUS POSTAL ACCOUNT

UP TO 7.35% GROSS P.A.

APPLY POST HASTE

Have you had a Norwich Union cheque returned? Perhaps you simply want a better return on your savings.

Take a look at our new instant access postal account rates and believe your eyes. We are confident that these are currently the best overall returns on the market.

The account includes a unique 2% gross p.a. quarterly bonus (based on your minimum balance for that period).* On top of that, if you need access to your money immediately, you can get at it by post, without delay.

To open an account call Abbey National Direct on 0800 174 635, Monday to Thursday 9am to 5pm, Friday 9am to 8pm, Saturday 8am to 6pm or Sunday 10am to 4pm, quoting reference A505P/12 or call into your local branch or fill in the coupon below.

		£2,500	£10,000	£25,000	£50,000	£100,000
Abbey National	Bonus Postal*	6.85%	6.95%	7.15%	7.25%	7.35%
Nationwide	Invest Direct	6.40%	6.50%	6.70%	6.75%	6.85%
Sainsbury's Bank	Instant Access	5.75%	5.75%	5.75%	5.75%	5.75%
Direct Line	Instant Savings	4.75%	5.85%	6.00%	6.25%	6.35%
Woolwich	Postal 60	6.00%	6.40%	6.60%	6.80%	7.00%

Source: Moneyfacts, rates correct at 17.6.97. All rates quoted gross p.a. Bonus Postal Account rates include a unique 2% gross p.a. bonus on your minimum balance for each quarter.

ABBEY NATIONAL®

SAVINGS

You may be able to register with us to receive interest gross; otherwise it will be paid net of income tax at the prescribed rate. Rates may vary. The minimum investment is £2000. A bonus is payable each quarter that the balance of the account does not fall below £2000. Interest is paid quarterly. To assist us in improving our service we may record or monitor telephone calls. Abbey National and the Umbrella Couple symbol are trademarks of Abbey National plc, Abbey House, Baker Street, London NW1 6XL, United Kingdom.

Please complete and send to: Abbey National Direct Postal Account Centre, Freepost BE 1890, P O Box 422, Belfast BT2 7BR.
Name: _____ Address: _____ Phone Number: _____
Date of birth: _____ Signature(s): _____
Please find attached my cheque for £..... to invest in the Abbey National Bonus Postal Account or send me further information. ☐
Please send a personal cheque drawn from an account in and showing your name, plus two confirmations of address e.g. household bills.
M16/C505P/12

Duchy's £5.4m profits show prince's acumen

Kamal Ahmed

HE MAY have been voted the third worst father in Britain and had his views on education roundly criticised but Prince Charles had some good news yesterday — his income from the Duchy of Cornwall has risen by nearly 10 per cent.

Accounts lodged in the libraries at the House of Commons and the House of Lords, as they have been since the 1830s, reveal that the prince's income from the duchy rose to £5.4 million a year.

In 1995 the prince earned £4.9 million from the estate which owns 52,000 hectares of land in 22 counties.

The prince's staff are hailing the increase as a mark of Charles's management prowess. He has said that he wants the estate to be a showcase for environmentally sensitive agricultural and urban management.

"My abiding aim lies in trying to make sure that my stewardship of the duchy will enable my son to take on something of which he can be proud," the prince said in the estate's annual magazine.

The duchy was created by Edward III in 1337 to provide an income for the heir to the throne. Despite its name only 2 per cent of the estate is in Cornwall.

After years of criticism the prince agreed to pay tax of 40 per cent on his income from the duchy in 1993. At the same time the Queen agreed to pay tax on her private income.

Charles's tax bill for this year is now likely to rise well over the £1 million he is believed to have paid to the Inland Revenue last year.

"This is an unsung story of real success on the part of the Prince of Wales," said a spokesman.

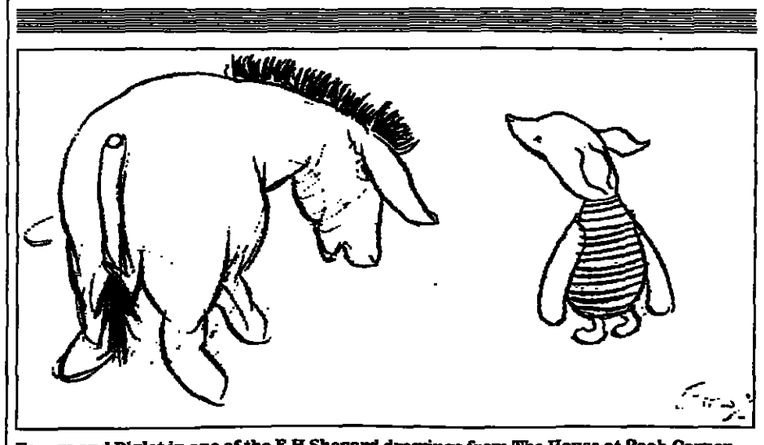
"Here you have a real example of a profoundly practical man administering an estate and being highly effective, to everyone's benefit. Flourishing estates make for flourishing local economies."

Improvements to the estate include building new farm dairies, planting more than 1 million trees over 15 years and taking advantage of increasing property prices at the prince's controversial urban village at Poundbury in Dorchester, Dorset.

The accounts do not detail what the prince does with his income but about £2.5 million is thought to go on official expenses and £1.5 million on private expenditure.

Official expenses include the 70 staff at St James's Palace, London, and Highgrove Gloucestershire. One group of staff is dedicated to responding to the 27,000 letters the prince is sent every year.

Private expenditure includes clothes, school fees for the princes William and Harry and private travel. There is also the £400,000 a year Diana receives as part of her divorce settlement.



Eeyore and Piglet in one of the E H Shepard drawings from The House at Pooh Corner

Winnie-the-Pooh drawings likely to strike gold

Paul Kelso

THREE E H Shepard drawings from Winnie-the-Pooh, by A A Milne, are expected to raise more than £30,000 at Christie's next month.

Two pen and ink drawings from the 1928 classic The House at Pooh Corner are expected to fetch up to £12,000, while a third entitled "In which Pooh invents a new game", is expected to fetch £15,000.

The illustration shows Pooh and Piglet standing on a bridge throwing a stone into the river to make ripples and help Eeyore — who is floating on his back — get to shore.

They are expected to raise such high sums because of their lasting popularity with successive generations of children over nearly 70 years.

In all, 13 Shepard drawings will be auctioned. As well as the Pooh works, an original drawn for Kenneth Grahame's The Wind in the Willows in 1931 is expected to raise £6,000. It shows Mole dozing in the sun on the river bank.

Also on sale will be work first published in Punch — for whom Shepard worked for 50 years — including a work drawn for the 1953 coronation edition featuring the characters from the Wind in the Willows and the Pooh stories together.

Last December four pen and ink sketches from the 1926 work Winnie-the-Pooh, fetched a total of £216,200. Shepard died in 1976, aged 96.

It is unimaginable that any company will be so stupid to go through the same experience again. It is equally unimaginable that Steel and Morris, having invested so much of their life in the case, will let it end here.
John Vidal on the McLibel trial

This section page 13

The McLibel trial

Ronald rides again

McLibel facts

- Length of court case: **314 days** (It became the longest libel case at 102 days, the longest civil case at 199 days and then finally took the overall record for the longest case of any kind in English legal history at 292 days.)
- 180 witnesses, 20,000 pages of court transcripts and 40,000 pages of documents and witness statements.
- **Estimated cost to McDonalds: £10 million** (Richard Rampton QC cost reputedly £2,000 a day)
- **Cost to McLibel Two: zero**

McDonald's facts

- 21,000 outlets in 101 countries.
- 1996 worldwide turnover: **$32bn**
- 8 new outlets opened each day.
- More than 1 million people worldwide work for McDonald's; 40,000 in the UK.
- UK 700 outlets visited by 10 million customers a week; last annual UK profit was £45 million. 500 million meals sold each year. 800 tons of chips and 84 million burgers eaten, and 100,000 gallons of milk consumed, each week.

GRAPHIC: STEVE VILLIERS

Twelve years after activists leafleted a McDonald's outlet on the Strand in London, the firm has finally silenced its most persistent critics. **John Vidal** reports

Dave Morris and Helen Steel outside the courts of justice in the Strand, London, with a copy of the disputed leaflet

PHOTOGRAPH: BRIAN SMITH

Long, slow battle in a fast food war

IN January 1985, half a dozen people from a minuscule anarchist group called London Greenpeace — no relation to the international environment group Greenpeace — stood outside the McDonald's restaurant in the Strand distributing a badly printed sheet of A4.

They did not know it, but it was the start of a 314-day legal soap opera which ended yesterday in a blaze of television lights 300 yards away, outside the Royal Courts of Justice.

The leaflets were abusive about fast food generally and about McDonald's in particular, and no one paid much attention. A year later, the little group distributed a few copies of a longer "fact sheet" to anyone who wrote in for one.

Called What's Wrong With McDonald's, and subtitled Everything They Don't Want You to Know, the leaflet claimed that McDonald's, among other things, was to blame for starvation in the Third World. It was accused of cutting down rain forests, murdering and torturing animals, exploiting children through its advertising, selling unhealthy food and environmental irresponsibility.

The $30 billion-a-year corporation did not respond to London Greenpeace. Instead, its solicitors complained in 1987 to a Nottingham-based group called Veggies, who had reprinted the sheet and were distributing it. They changed the text marginally.

Three years later, after consulting Special Branch and employing two firms of private eyes to collect information about people in London Greenpeace, McDonald's served five members of the group with libel writs, saying that the firm had no choice but to fight for the truth and defend its trading reputation.

When advised that the case would cost a fortune and there was no legal aid for defamation cases, three of the five apologised. Helen Steel and Dave Morris chose to defend themselves as "litigants in person". Neither had written or distributed the leaflet and Morris was no longer a member of London Greenpeace.

> **'As a result of the meat industry, the suffering of animals is inevitable'**
> — David Walker, supplier of hamburgers to McDonald's

> **'Politics is not a luxury, it's an essential'**
> — Dave Morris

> **'I get fed up having to listen to corporate waffle. It's worse than a job'**
> — Helen Steel

The trial began in 1994. Steel and Morris became full-time DIY lawyers to handle the mountainous paperwork of the preliminary stages. Advised *pro bono* (free) by Keir Starmer, a young barrister from Doughty Street chambers, and several solicitors, they challenged McDonald's in 28 pre-trial hearings, unsuccessfully took the Government to the European Court of Human Rights over the lack of legal aid, and took other appeals to the Court of Appeal and the Lords.

Meanwhile McDonald's had brought in a top QC, Richard Rampton, who argued successfully to dispense with a jury. Complex arguments about the links between food and disease would be too hard for a jury to understand, he said. Steel and Morris were devastated.

In April 1994, just as the trial was about to start, McDonald's distributed 250,000 leaflets of its own in its restaurants and issued press releases suggesting Steel and Morris were lying. They counter-sued.

When the case opened in Court 35 of the Royal Courts of Justice in the Strand, on June 28 1994, there were 170 witnesses, including senior executives from the McDonald's Corporation in the United States and leading British environmentalists. The trial was scheduled to run 12 weeks.

McDonald's argued that the "fact sheet" was a wholesale attack on every aspect of its business and the company had a duty to defend itself.

Steel and Morris argued that the case was about censorship by corporations and McDonald's was using Britain's libel laws to silence critics. They pointed to more than 50 groups, newspapers, television companies and others who had apologised to

> **'We don't sell nutrition and people don't come to us for nutrition'**
> – McDonald's memo

> **'McDonald's standards are as high as anywhere in Britain'**
> – Richard Rampton

Mcdonald's over the previous few years.

Within two months, McDonald's had flown over two executives to negotiate an out of court settlement with undisclosed money going to a charity of Steel's and Morris's choice. But the defendants made it a condition that McDonald's stopped suing its critics, and the talks collapsed.

The case attracted little media notice for several years, if only because of the protracted proceedings. McDonald's argued that Steel and Morris were trying to turn the trial into a public inquiry, while they replied that McDonald's had chosen to go to court and that they had no option but to examine every facet of the corporation's conduct because McDonald's was making them justify almost every sentence in the sheet.

The deeper the trial went into the issues, the more the debate grew about the rights of people to criticise powerful corporations.

Throughout, McDonald's refused to comment on the proceedings, perhaps not wishing to fan the flames of bad publicity. The McLibel Support Campaign was regularly picketing more than 500 of the company's restaurants; it had also distributed a further 2 million more of the offending leaflets and set up one of the largest web sites on the Internet, which was accessed 14 million times in the past year.

Leader comment, page 12; Empire of burgers, page 13

Rainforests, children and pay

LONDON Greenpeace's allegations against McDonald's can be divided into seven categories.

Starvation in the Third World and destruction of the rainforest
Morris and Steel claimed the company bought land in poor countries and evicted farmers growing crops — leaving the local population with no food. They alleged these countries were also forced to export staple crops for cattle feed and beef for burgers, thus causing starvation.

The defendants also said vast areas of central American rainforest were destroyed to create grazing land for cattle.

The judge ruled there was no evidence that McDonald's had caused starvation or the desecration of rainforests, although he said the expansion of beef cattle production had contributed to rainforest destruction in Costa Rica, Guatemala, and Brazil.

The use of recycled paper
The leaflet said: "Don't be fooled by McDonald's saying they use recycled paper: only a tiny per cent of it is."

The judge ruled this was defamatory because the amount McDonald's recycled was "small but significant".

Disease
The leaflet claimed McDonald's food was unhealthy because it was high in fat and low in fibre, vitamins and minerals. Eating such food, it alleged, gave you a risk of heart disease, and cancer of the bowel and breast.

The judge ruled against the defendants. He said eating McDonald's burgers occasionally did not mean your diet was high in fat and low in fibre, although he said the small proportion of people who ate at McDonald's several times a week DID take the risk of heart disease. He also judged that various McDonald's adverts, promotions and booklets "pretended to a positive nutritional benefit which [the food] did not match".

Advertising
The defendants alleged the company's advertising exploited children by making them think they were not normal if they did not eat at their restaurants. Children then pressured their parents to take them there.

The judge ruled for the defendants, saying McDonald's marketing "makes considerable use of susceptible young children". He added it was an inevitable result of advertising to children.

Animal welfare
The leaflet claimed that McDonald's was responsible for cruel practices in the rearing and slaughter of pigs, chickens, and cattle.

The judge ruled that this was justified relating to battery hens and broiler chickens. He said McDonald's was "culpably responsible" for such cruel practices.

Food poisoning
The defendants claimed that McDonald's customers were at risk of food poisoning by the residue of antibiotic drugs, pesticides, and hormone drugs in meals.

The judge found no evidence of this and ruled against the defendants.

Employment practices
The leaflet alleged McDonald's paid low wages, provided bad conditions, helped to depress wages in the catering trade in Britain, exploited disadvantaged groups, and prevented unionisation by getting rid of pro-union workers.

The judge ruled that McDonald's wages were low, thus contributing to low wages in the catering trade in general. However, he said the leaflet was not justified to say that McDonald's working conditions were bad and that the company exploited disadvantaged groups.

—Alex Bellos

Prime movers in the McLibel case

Dave Morris
One of the most formative experiences of the London-born former postman was moving, aged 12, into Margaret Thatcher's constituency.

He left school with two A levels, travelled in Poland and the US and became an active trade unionist, local community worker and anti-poll tax campaigner.

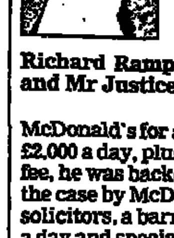
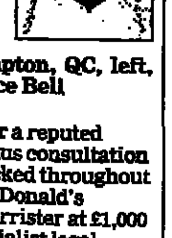
"It's in the public interest that there be the widest possible dissemination of critical information about those institutions that dominate our lives and environment.

"There needs to be a vibrant debate about what is happening around us and the alternatives. We believe it's not only the public's right, but also their duty to criticise those with wealth and power in society"

Helen Steel
Left school at 17 with six O levels. Worked as a London gardener and did voluntary work as a minibus driver, ferrying pensioners and children around London. Joined London Greenpeace in 1987. Works one night a week in a London bar.

"I don't see myself in revolt against society at all. I am not ashamed of wanting a society where people are equal, where animals and the environment are respected. We do not want to change society for the sake of it. There are 101 things I would rather be doing than campaigning and fighting this court case. If I see oppression, it's a gut feeling that I want to do something to challenge it."

Richard Rampton, QC
The British libel lawyer is joint editor of a standard text on defamation. Employed by McDonald's for a reputed £2,000 a day, plus consultation fee, he was backed throughout the case by McDonald's solicitors, a barrister at £1,000 a day and specialist legal chambers. Earlier successes include defending Andrew Neil against Peregrine Worsthorne. Lawyers say he had the advantage in that libel law in Britain depends on a deep knowledge of legal points.

Richard Rampton, QC, left, and Mr Justice Bell

Mr Justice Bell
Oxford-educated, joined the bar at 25. Promoted from recorder in 1993. Has been chair of an NHS mental health tribunal and is on the Parole Board. McLibel is his first defamation case.

He is considered kind, generally fair and one of the best and most patient younger judges.

He frequently took over Steel's and Morris's questioning when they became bogged down but was criticised for not helping Steel and Morris more. Considered by Steel and Morris to be biased.

"There may be an argument or a view that very large corporations should not have the right to sue for defamation under English law," he has said.

—John Vidal

France for free.

Free trip to France for up to 3 days when you buy any digital mobile phone.

If you buy any digital mobile phone from your local BT Shop before June 28, and connect to Cellnet, we'll give you a voucher entitling you and up to four others to a free ferry trip to France any time within the next year.

With a range of handsets from as little as £9.99, BT Shops' expert staff can help you choose the phone and tariff to best suit your needs. Your peace of mind will be guaranteed by our 14-day exchange policy (simply return the phone in its original packaging).

Call into your nearest BT Shop and take advantage of this exclusive offer.

cellnet

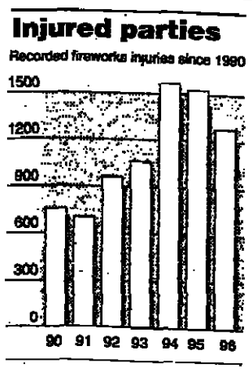
BT Shops

BT

For details of your nearest BT Shop, call:
Free*fone* 0800 400 004

*Subject to a minimum 12 month airtime agreement with Call Connections Ltd, e.g. Occasional Caller Plus monthly subscription is £17.50 per month by Direct Debit with a one-off connection fee of £35, subject to status. *Space on any sailing is subject to availability. Cabins are mandatory on night crossings (£10 per person).

هكذا من الاصل



Ministers crack down on sale of dangerous fireworks

Ruth Hattersley, widow of David (top left) who was killed last year by an aerial shell, endorses moves to raise the minimum age for buying fireworks PHOTOGRAPH: MICHAEL CRABTREE

Stuart Millar

THE Government yesterday took the first step towards outlawing "dangerous and hooligan" fireworks, unveiling measures aimed at reducing Bonfire Night accidents.

The crackdown includes raising the minimum age for buying fireworks from 16 to 18 and the immediate removal from general sale of all fireworks which fail to meet British safety standards. Large bangers, jumping crackers and other "erratic fireworks" will also be banned.

By the end of the year, action will also have been taken to restrict the sale of mini-rockets and all remaining bangers, and to introduce compulsory labelling of sparklers warning they are unsuitable for children under five.

The moves were endorsed by Ruth Hattersley, whose husband David, a High Wycombe headmaster, was killed in front of his pupils at a school display last year when an 8lb mortar-style firework blew up in his face.

She said: "The last thing I or my husband would have wanted would be to stop anybody enjoying fireworks. But anything that can be done to make the enjoyment of fireworks safer I welcome."

Mr Hattersley's death was one of three last year. Less than 24 hours after he died, Steve Timcke, a City trader aged 34, was killed in front of his children as he lit a Chinese shell at his house near Dartford, Kent. In a third incident, Dale Mitchell, nine, was killed by a firework allegedly thrown through the letterbox of his Nottingham home.

A total of 1,233 people were injured, a drop of 300 on the previous year but still 50 per cent more than in 1991.

Launching a two month consultation period yesterday, Nigel Griffiths, consumer affairs minister, said: "Firework injuries have soared to unacceptable levels. I want to take tough action to protect families, children and others while at the same time making sure families can continue to enjoy fireworks."

He added: "Too many children are injured. The three tragic deaths last year could have been avoided if large-scale fireworks had been removed from sale to the general public."

The measures will be introduced in two phases, which Mr Griffiths said was essential to ensure stocks were used up and did not not reach the market illegally. It will also allow the most dangerous to be banned in time for this year's November 5 celebrations.

It will make permanent emergency bans brought against aerial shells and maroons in the wake of last year's fatalities. Aerial shells will still be available for professionally-run displays.

The proposals hope to stem the tide of potentially lethal fireworks from the Far East, many of which do not include instructions in English. The Conservative government lifted import restrictions on such fireworks, but Mr Griffiths said there was no need to reimpose these as better mechanisms to check imported fireworks had been implemented.

He said he had stopped short of a blanket firework ban as this would deprive millions of people who use them in complete safety each year.

The proposals were also welcomed by the Royal Society for the Prevention of Accidents and the RSPCA, which deals with a 70 per cent increase in lost animals during the firework season.

Parents to sue over low flying jets

Emily Sheffield

A GROUP of Welsh parents is planning to sue the Ministry of Defence over their children's hearing problems which they blame on low flying jets.

Campaigners in mid-Wales are gathering evidence that the jets damage hearing, particularly of children under the age of two. The parents, who have formed a pressure group called Freedom of the Skies, are submitting fresh research to the Strategic Defence Review this month. The parents' evidence includes research conducted in alliance with the Federal Environmental Agency in Germany, which claims to have found a link between low flying aircraft and hearing impairments.

The report, submitted by the agency's Harmut Ising, says aircraft noise can increase faster than the body's reflex protection mechanism, which normally prevents or reduces damage to the inner ear. It says: "Children under one year of age are highly vulnerable to high frequency hearing losses caused by military low altitude flight noise with fast level increase." The researchers warn that the children could later develop severe hearing problems. Jets fly as low as 100 ft, causing substantial noise. Two or three jets will train at one time, spending on average 12 hours a month in the designated low flying areas at that height.

Schools in Ceredigion, West Wales, which helped with the research, said the jets frighten children, disrupt lessons and reduce concentration.

Genetic fingerprint fingerprints

Tim Radford
Science Editor

FORENSIC scientists in Victoria, Australia, have discovered genetic fingerprints on fingerprints. Once the villain left his telltale dabs on the cyanide glass or the dagger, but now, according to Nature yesterday, he leaves something just as telling: his DNA.

Roland van Ooorschot and Maxwell Jones of the Victoria police report that genetic profiles — bits of DNA used to distinguish individuals — are regularly recovered from old blood stains, semen, vaginal swabs, hair, bone, urine and cigarette butts.

They have found amounts as small as two billionths of a gram in swabs taken from objects only touched by hands. These include leather briefcase handles, pens, a car key, a personal locker handle and a telephone.

They also recovered DNA from a print of the inside of a condom which had been put on but not — to phrase the matter delicately — needed.

They provide a useful tip for villains: hands that are dry or have been recently washed leave behind the least DNA. They also report that DNA could be passed from hand to hand. They took swabs from hands before and after handshakes and found that DNA could be transferred from one individual to another.

All of this could make the evidence of touched objects difficult to interpret. "Our methods have already been used at our laboratory to provide evidence in attempted murder, rape, armed robbery, extortion and drug cases."

String fellows . . . violinists from all over the country rehearse '100 violins' to open the Meltdown '97 music festival on the South Bank, London, this Sunday PHOTOGRAPH: TRICIA DE COURCY LING

Operations 'being done by trainees unaided'

Chris Mihill
Medical Correspondent

FOUR out of five junior surgeons have carried out operations unsupervised by senior doctors, including a kidney transplant and major bowel surgery, according to a report published today.

Some of the doctors reported having carried out procedures they have never seen done before, and some said their unsupervised operations were "too many to list".

There have been numerous official reports from the Royal College of Surgeons and other bodies warning that a main cause of unnecessary deaths, or of patients being maimed during surgery, is junior doctors carrying out procedures for which they have not been trained, usually at night or at weekends.

The medical colleges have maintained that such operations are now a rarity, but the new report, in the British Medical Journal, shows that they are continuing.

Janet Wilson, of the department of head and neck surgery at Newcastle university, analysed replies from 276 trainees, divided between general surgeons and those specialising in head and neck procedures.

Among the general surgeons, 86 per cent said they had carried out first-time procedures unsupervised, as had 66 per cent of head and neck trainees.

Senior house officers, one of the most junior grades, had undertaken a range of unsupervised operations, including spleen removal. Even more complicated procedures had been done by registrars, including major bowel surgery and a kidney transplant.

Out of 17 young consultants, five said they had carried out a procedure not seen in training. Seven had done operations they had only assisted in during training.

Nearly one in five of the surgical trainees said the results of their unsupervised work had been poor, while 64 per said that although the results were technically acceptable they had not benefited from a training point of view.

Eight per cent of the surgical trainees said they had carried out between five and 11 first-time procedures unsupervised, while 12 per cent said they had done too many to list.

Professor Wilson said previous studies suggested that two-thirds of procedures by surgical trainees were carried out unassisted. Most were out-of-hours emergencies.

Sir Rodney Sweetnam, president of the Royal College of Surgeons, said the findings were disturbing, and he would write to Prof Wilson for further details.

He said the numbers in the study were small: 68 senior house officers out of a total of 4,500 and 59 senior registrars out of 2,000.

Unsupervised operations were decreasing, he said. "Nevertheless, this is something we regard extremely seriously. Junior doctors should not take on anything unless it is within their capability and training."

> 'Patients are not there to be guinea pigs once anaesthetised'

Sir Rodney said consultant numbers had not been increased as the former government had promised. Consultants were under increasing pressure to cut waiting lists, leaving less time to supervise juniors. He denied that they were absent because they were pursuing private work.

John Spiers, chairman of the Patients' Association, said the findings exposed an "intolerable and alarming" situation. He accused some senior consultants of putting private work before the NHS.

"Patients must be told the name and qualification of the doctor who will do the operation and how often that doctor has done it before," he said. "There must be a contract of honour and openness with every patient. Patients are not there to be guinea pigs once they have been are anaesthetised."

'Homophobia' row in Queer Street

Andrew Culf
Media Correspondent

CHANNEL 4 has launched an inquiry into claims that a studio refused to film the titles for its gay season because staff there objected to scenes of homosexuality.

The titles — including two men kissing, drag queens and an elderly lesbian couple — will be used to introduce programmes in the Queer Street season on three Saturday nights next month.

The production company, Cheerful Scouts, which was commissioned to film the sequences, claimed it was turned away by the independent studios because of its moral objections to gays.

But Silver Road Studios, in west London, accused the production company of distortion and said it had never had a firm booking.

Channel 4 said it was looking into the allegations. "If the claims are true, it would be absolutely outrageous," a spokeswoman said.

Cheerful Scouts' protests have been backed by Pact, the trade association for more than 1,000 independent production companies.

Shaun Williams, deputy chief executive of Pact, urged Silver Road Studios to clarify its policy as soon as possible.

Any discrimination against homosexuality would be "met with absolute repugnance by the rest of the television and broadcast industry", he wrote.

Gary Fitzpatrick, of Cheerful Scouts, said it was the first time he had experienced such homophobia in 14 years of working in London. He claimed the studio booking was cancelled the day after he had discussed the titles with a cameraman.

"It was the most blatant act of discrimination we have ever come across in the media industry," he said. "The titles show two guys kissing. Our offices are off Wardour Street and Old Compton Street, in Soho, and you see that every day," he said.

Channel 4 said the titles, featuring the background of a "fun" street scene, had been cleared by its lawyers and were even suitable for pre-watershed transmission.

Sigi Pracher, managing director of the studios, said the company had not paid a deposit and had only a provisional booking.

Two of his freelance staff — a cameraman and film editor — had said they did not want to get involved in the job.

"I have a policy that freelancers have the moral right to do what they want. I have nothing against what Cheerful Scouts are doing — but they had left it too late for me to find alternative staff in two days."

John Willis, Channel 4's director of programmes, said the season was intended to mark the 30th anniversary of legislation to liberalise laws on homosexuality.

"Channel 4 is the only channel that has a regular commitment to this area. It is a constituency that has been under-served by other broadcasters."

Villagers lose fight against homes for airport workers

Emily Sheffield

THE residents of four Domesday Book villages lost their battle against "obliteration" by a housing development for workers at Stansted airport in the Court of Appeal yesterday.

The parish councils of Felsted, Takeley, Little Dunmow and Birchanger in Essex — mentioned in the surveys by William the Conquerer's officials — fear they will now be swamped by 2,500 new homes to help cater for the expansion of Britain's fastest-growing airport.

But the court refused their plea to have a second public inquiry, stating that Uttlesford district council had not been unfair in its rejection of the request.

Andew Warren, a parish councillor and chairman of the Felsted and Little Dunmow Conservation Association, said: "It is a doomsday for us. The man with the bulldozer has won. They can now effectively start removing villages which have survived since the Domesday Book."

The parishes were appealing against a judgment in the High Court last year. They now face legal costs of up to £60,000 which they have been raising through local charity events.

The scheme was proposed six years ago when Uttlesford district council drew up a plan for the area taking into account the likely growth in Stansted.

About 650 homes are planned between Little Dunmow and Felsted, 825 at Takeley and 400 at Birchanger. The siting of another 625 at Great Dunmow was not contested.

Proud to be just an ensign

It is a prosperous, hassle-free resort for US tourists, but what Bermuda owns in natural riches it lacks in identity

Alex Duval Smith in Hamilton examines the imperial legacy of an island which lives in fear of losing its colonial status

A tourist saunters along Front Street in the Bermudian capital, Hamilton PHOTOGRAPH: FRANCESCA YORKE

Detritus of Empire

BERMUDA is expected to ban McDonald's from its soil by law today. But the third reading in its parliament of the Prohibited Restaurants Bill only reflects this western Atlantic island's ambivalent relationship to domination.

There was once a McDonald's here — hidden from view on the United States air force base, a strip of Tarmac covering 10 per cent of Bermuda's surface.

The base is now being converted into a modern airport. Even though Churchill gave Roosevelt a 99-year lease on the land in return for destroyers in 1941, the Americans left in 1995.

They left a bill for clearing up a mess of asbestos, oil spills and lost revenues which the prime minister, Pamela Gordon, puts at 55 million — Bermudian dollars. (about £34 million). The dollar notes feature a youthful picture of the Queen, as do dimes (10 cents) and are at parity with the US dollar. Even though Mrs Gordon has been to Washington to point out that the Royal Navy cleaned up its mess when it left in 1951, she is unlikely to make a big fuss.

Bermuda accommodates the US. American tourists put $600 million into the economy every year and all they demand in return is heritage-Britain-under-the-sun: white men in blazers with long shorts and long socks, cars on the left, tea at four, dustbins adorned with coats of arms, red pillar boxes, police officers dressed up as bobbies, and polite locals.

That comforting backdrop — plus a customs clearance procedure which makes visiting Bermuda hassle-free — is enhanced by a guarantee that the temperature will hardly ever fall below 17C, the water will always be clear, the beaches pink-tinged, and the fish brightly coloured.

The tourists — 85 per cent of them from the US — do not want McDonald's here. In a crisis there is always Kentucky Fried Chicken, which sneaked in years ago.

Such is the air of colonial decorum and so absent is income tax that insurance and reinsurance companies like to have addresses here. It is a growth industry if ever there was one, since Bermuda — a collection of islands covering roughly the same area as Heathrow airport — will become Britain's largest and wealthiest dependent territory when Hong Kong is handed back to China.

This splendid floral hothouse lives in fear of losing the stability it believes a continuous British presence has guaranteed since 1612.

That is why, in August 1995, an overwhelming majority of its highly-educated, high-earning 60,000 people voted against independence. The issue will not come around again soon and Britain is happy to continue providing a plumed governor and a police chief — but no money — until Bermudians decide otherwise.

WALTON Brown and others among the island's 60 per cent black population want to move away from what they see as a colonial dependence mentality which has left Bermuda wealthy but with little in the way of an identity. When the previous governor, Lord Waddington, arrived Mr Brown's supporters were waiting at the airport with placards.

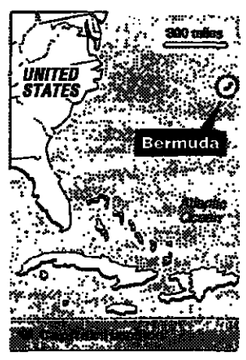
"We must stop thinking that foreign is best and that we are incapable of standing on our own two feet," Mr Brown said. "If I had to serve on a jury I would have a hard time pledging allegiance to the Queen — it is against my fundamental views of democracy that someone has power because of their birth.

"In 1976, when our heavyweight boxer Clarence Hill won a bronze medal at the Olympics, they played God Save the Queen and raised the Union Jack. Bermuda's flag is just an ensign, so could not be used."

His views are not widely shared, though he claims that black Bermudians are aware of "an orchestrated campaign to boost the white population".

He said: "Employment is officially open to all but you often see job descriptions which have clearly been written to suit one person, an outsider."

In the last 40 years Bermuda has written itself a constitution and gradually begun dismantling a voting system



based on land ownership. Even though it has never been in power, the Bermuda Progressive Labour Party has provided an effective opposition by building on ideas from the American civil rights movement.

After a "theatre protest" in 1959, in which blacks refused to be barred from the stalls of cinemas, pressure grew for all Bermudians to be admitted to restaurants and hotels. Yet 163 years after slave emancipation, Bermudians still live within iniquitous constituency boundaries which critics say favour candidates in areas of "old money" most likely to vote for the ruling United Bermuda Party (UBP), in power since 1968.

Mrs Gordon will not hear of segregation. The daughter of a prominent labour leader, she typifies the new breed of bright, successful Bermudian women, often educated in the US or Canada, now taking the reins.

"We have 65 per cent tertiary education," she said, after opening this year's Bermuda Day celebrations, a national holiday on May 24 which was known until 1979 as Queen Victoria's Birthday, Empire Day and Commonwealth Day. "Too often there is a desire to portray two Bermudas: the black people spending Sundays on the beach and the whites going to dinghy races.

"We have two Bermudas, but we are one family and we must celebrate that."

The Bermuda Day parade is primarily a black event. Majorettes and floats pass through the streets of Hamilton as families with picnics line the route. Spectators reserve some of their most enthusiatic cheers for the floats laid on by paint shops and car showrooms: custom-painted sports cars and motorbikes with very loud sound systems.

In Saint George's, the harbour at the eastern end of the island where the Royal Navy had its base, whites saunter through streets with names like Needle and Thread Alley and Old Maid's Lane. They mark Bermuda Day with a dinghy race.

Cyril Packwood, the island's retired librarian, points to the basement windows of the splendid 17th- and 18th-century houses lining the alleyways of St Georges: they all have bars because that is where slaves were kept. The cemetery of St Peter's Church has a separate graveyard for slaves; they lie west of the whites, who were assumed to go to heaven first.

Mr Packwood returned to Bermuda in 1965 after 40 years as a librarian in the US. He is the author of Chained to the Rock, the only chronicle of the island's slave history.

"Everything that happens here is governed by the fact that this is a tiny society where people notice what you are wearing and know the number of your car registration plate," he said.

"The same goes for advancement. In somewhere as materialistic as this, young blacks who need loans for business ventures will join the establishment party, the UBP, quite simply because they know the bank manager belongs to it."

Some Bermudians, unable to secure bank loans, seem increasingly to get their readies from drug deals on Court Street, only two blocks from where the bows of cruise ships snuggle up to Hamilton's duty-free shops.

CUTTING drug consumption is a priority for Mrs Gordon. On the advice of the police chief, Colin Coxhall, a Thames Valley veteran, she is endorsing a clampdown.

In a society which still has the death penalty, corporal punishment in schools and a petition circulating to bring back flogging, get-tough crime policies win votes. But the crack and cannabis on Court Street are just sidelines for foreign dealers who supply cocaine to the jet set.

Mrs Gordon, a former proponent of independence who has moderated her views, also plans to take a long hard look at Bermuda's relationship with Britain. "The status we have had since 1963, when our passports were changed, causes great offence. Either we are a colony or we are not. If we are, we should have a right of abode in Britain.

"Our per capita income is the fourth highest in the world — a lot higher than Britain's. We are hardly economic migrants. Yet when we arrive at Heathrow we have to stand in the longest line, and we do not even have the right to diplomatic passports."

The relationship with Britain, which has just appointed a new governor, John Thorold Masefield, remains more sensitive than appearances suggest.

In 30 years Bermuda has seen the assassination of one governor and his aide de camp, petrol bombings, riots, and numerous strikes. Britain has constantly acted to distance itself, most starkly by abolishing the sterling area overnight in 1972 — a move which pushed Bermuda into the arms of the dollar.

After British paratroopers intervened in the 1973 riots the Bermudan government received an invoice. The 1981 British nationality law, which took effect in 1983, made Bermudians "dependent territories citizens", reinforcing the message that Westminster had cast them adrift.

What Bermuda has been left with is not likely to inspire the confidence needed for independence. Off-shore companies are not a living part of the economy — the money comes in and goes out without passing through many Bermudian hands.

Tourism, the country's second industry, creates jobs, but does so at the price of identity. In Bermuda you can buy "English size" golf balls (smaller than American ones) and on the first Friday in November a miniaturised state opening of parliament, complete with Black Rod, is staged.

Yet James Francis, canon residentiary at Hamilton Anglican Cathedral and a member of Bermuda's Human Rights Commission, is optimistic. "We are beginning to see Bermudians in important positions, such as the head of the fire service, at Cable & Wireless, and in the cathedral itself, whose bishop is now Bermudian," he said.

"It takes a while to empower people and this is happening as Bermuda addresses its underlying racial problems. Of course, we have a long way to go. I do not know how many weddings I have been to where whites and blacks with the same surname mingle for the day, then have nothing to do with each other for the rest of the year.

"But more and more people are coming to the Human Rights Commission and saying their rights have been violated. Both black and white people are talking about race, and that is the start of a process which should allow black and white Bermudians to discover their soul."

Next: In the final part of the series, Ian Black looks at the odds and ends of empire.

Patten says his last goodbye to doomed Legco

Hong Kong 1842-1997

Catherine Sampson

GOVERNOR Chris Patten bade a poignant farewell yesterday to Hong Kong's doomed legislative council (Legco), the body at the heart of his controversial political reforms, which will be disbanded by China at midnight on June 30.

Many of its members — several of whom owe their seats to the electoral changes Mr Patten pushed through in the face of Chinese opposition — gave him a standing ovation as he left, rapping on their desks as a mark of approval.

Other, pro-China legislators, who will sit on the Chinese-appointed provisional legislature which replaces it, watched his departure with thinly veiled relief.

Mr Patten's question-and-answer session with council members was largely good humoured. But at the first sign of hostility, from a pro-China member who accused him of not caring about social issues, Mr Patten reacted with skills honed in the cut and thrust of Westminster debates. He defended his record with a list of statistics and then made a jibe at the legislator's expense.

But he tried not to worsen a row with China over requests by the advance contingent of its People's Liberation Army now based in Hong Kong for special arrangements to govern border crossings by its members.

He said a recent border incident involving a senior PLA officer had been merely a linguistic misunderstanding, but added that the PLA would not be allowed any border privileges.

On Wednesday a small group of protesters gathered outside the Prince of Wales Barracks, where the contingent is billeted, accusing the PLA of acting as if it were above the law.

Asked about the greatest regret of his five-year governorship, Mr Patten said: "Perhaps what I would like to have done was, under the circumstances, impossible: to convince the leaders in Beijing that there was nothing to worry about in Hong Kong, that they could trust Hong Kong, that they could relax about Hong Kong, that the development of democratic institutions in Hong Kong as agreed in the Joint Declaration wasn't a question of planting British time-bombs around the community but that it was a matter of reflecting the aspirations of the community."

There were several questions about Mr Patten's own plans, and some gentle ribbing about his Conservative Party's defeat in the general election last month. Mr Patten gave little away, at one point describing himself as "beyond ambition".

China has meanwhile approved the appointment of Francis Cornish, head of the British Trade Commission here, as Britain's first consul-general in post-colonial Hong Kong.

Chris Patten rubs his eyes after his last meeting with Hong Kong's legislative council PHOTOGRAPH: ERIC DRAPER

Chinese security sweeps Shenzhen resort hotel

Reuter in Hong Kong

SECURITY officers have moved into a Shenzhen resort hotel where Chinese leaders are expected to stay before crossing the border to Hong Kong for the June 30 handover ceremony, it was reported yesterday.

President Jiang Zemin is to attend the event, and security has topped the globally televised agenda.

Mr Jiang and his 100-strong entourage are expected to stay one or two days late next week in the southern boom city of Shenzhen, the South China Morning Post said.

Ministry of state security officers are working out contingency plans to cope with any possible "troublesome" situations.

Dozens of officers have started a security sweep at the sprawling 138-room Shenzhen Kylin Villa where Mr Jiang and the prime minister, Li Peng, are expected to stay.

The lavish hotel in western Shenzhen took 15 months to complete and was opened on Tuesday. It is now closed to the public.

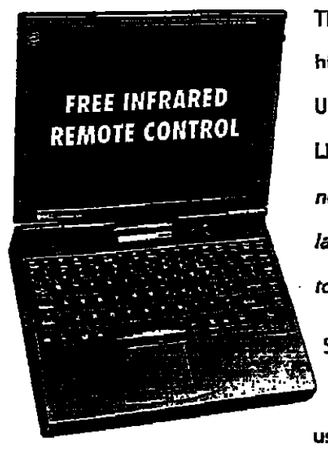
Over spec'd. Over powered. Over here.

DELL LATITUDE® LM P133ST
- INTEL PENTIUM® PROCESSOR 133MHZ
- 12.1" SVGA (800X600) TFT COLOUR DISPLAY
- 16Mb RAM UPGRADEABLE TO 72Mb
- 14Gb HARD DRIVE
- 256Kb LEVEL II CACHE
- 10X CD-ROM DRIVE
- EXTRA HIGH PERFORMANCE 128-BIT PCI GRAPHICS
- INTEGRATED 16-BIT SOUND BLASTER PRO-COMPATIBLE WITH INTERNAL MICROPHONES AND SPEAKER
- INFRARED COMMUNICATIONS PORT (IRDA LO COMPATIBLE)
- 2 PCMCIA SLOTS
- LITHIUM ION 'INTELLIGENT' BATTERY
- MICROSOFT® OFFICE 97 SMALL BUSINESS EDITION

£1,899 (£2,260.70) incl. delivery & VAT

DELL LATITUDE® LM M166ST
- INTEL PENTIUM® PROCESSOR WITH MMX™ TECHNOLOGY 166MHZ
- 12.1" SVGA (800X600) TFT COLOUR DISPLAY
- 16Mb RAM UPGRADEABLE TO 72Mb
- 14Gb HARD DRIVE
- 256Kb LEVEL II CACHE
- 10X CD-ROM DRIVE
- EXTRA HIGH PERFORMANCE 128-BIT PCI GRAPHICS
- INTEGRATED 16-BIT SOUND BLASTER PRO-COMPATIBLE WITH INTERNAL MICROPHONES AND SPEAKER
- INFRARED COMMUNICATIONS PORT (IRDA LO COMPATIBLE)
- 2 PCMCIA SLOTS
- LITHIUM ION 'INTELLIGENT' BATTERY
- MICROSOFT® OFFICE 97 SMALL BUSINESS EDITION

£2,399 (£2,848.20) incl. delivery & VAT



They've arrived. After winning a clutch of awards in the American Press, the highly desirable Latitude LM range of notebooks are now available in the UK. As the June 1997 issue of Windows Magazine stated, the Dell Latitude® LM P133ST is *'among the fastest Pentium Processor based 133MHz notebooks, with one of the largest screens and the best touchpad we've seen'.*

So, visit our website at www.dell.com/uk or call us today.

DELL

GET ONLINE TO THE NUMBER ONE
01344 724656
BETWEEN 8AM AND 8PM WEEKDAYS, 10AM TO 4PM SAT
Visit: www.dell.com/uk

هكذا من الأصل

هكذا من الاصل

PM outlines far-reaching programme of reform

Jospin fails allies on minimum wage

Paul Webster in Paris

FRANCE'S Socialist prime minister, Lionel Jospin, promised an impressive series of social, judicial, constitutional and immigration reforms in outlining his government's programme in the national assembly yesterday, but he disappointed his Communist allies on the minimum wage.

In a severe test for his multi-party leftwing coalition, Mr Jospin approved a 4 per cent rise in the minimum wage — only half that demanded by the communists — bringing it up to about £650 a month.

Plans for a 35-hour week without loss of pay, and a big job creation scheme for young people, were put off until an employment conference in the autumn.

The Communist Party parliamentary leader, Alain Bocquet, said Mr Jospin, who was seeking a vote of confidence, had deprived thousands of low-wage earners of a "whiff of oxygen" which would have contributed to growth through spending. But the Communists, who have 37 of the 319 leftwing seats, made no threat to bring down the government.

Mr Jospin, who claimed that 4 per cent represented the biggest jump in real purchasing power for 15 years, said he would stand by his election platform. Reforms in the next five years would include constitutional changes to enforce parity between men and women in local and national government.

"I have given my word and there will be no pause, no retreat and no rejection," he said.

He confirmed the closure of the Super-Phénix fastbreeder reactor near Grenoble, and plans to grant residence papers to up to 40,000 mainly African immigrants, deprived of the right to settle in France.

A "generous" integration programme would be introduced alongside a total review of previous immigration legislation, to reinstate the automatic right of citizenship for anyone born in France, he said.

"The future cannot be built on xenophobia and racism," he added.

Mr Jospin outlined a vast housing programme and a fairer taxation system, with the reduction of VAT. But economic questions took second place in his hour-long speech to measures to reinforce the left's moral credibility, four years after losing power amid accusations of corruption.

He appeared most confident when appealing to the *gauche morale*, the moral left, and was cheered by the predominantly leftwing assembly when he announced the end of ministerial interference in judicial proceedings into the affairs of allegedly corrupt politicians, including the Gaullist mayor of Paris, Jean Tiberi.

Political surveillance is to be stopped after allegations of widespread phone-tapping by former Socialist and Gaullist governments. An independent authority will be set up to oversee police eavesdropping on criminals.

The prime minister, who made repeated reference to a return to republican values, was on the defensive on Europe after criticism that he had raised hopes too high before the Amsterdam summit.

He told opposition MPs that if they were not satisified with the results, which included a European summit on jobs in the autumn, President Jacques Chirac was.

Mr Jospin spoke with the careful, unemotional emphasis that marked his campaign. He gave almost equal time to proposals for an early budget session in the autumn, and an announcement that a one-off school children's allowance would be tripled to £160.

He explained that a government audit would be needed to discover the real state of the country's finances and enable politicians, unions and employers to draw up a timetable for spending programmes to create 700,000 jobs for young people.

Much of the impetus would come from building an extra 1 million subsidised homes over five years and renovating 100,000 others, he said.

But budgetary considerations will not delay a law and order plan to help police control violence in rundown outer suburbs. An extra 35,000 administrative jobs are to be created this summer in such areas to release police for patrol work.

No, minister

LIONEL Jospin's instincts as a lecturer and son of a schoolteacher have resurfaced in the cabinet classroom, where he has given his ministers a dressing down for their manners, *writes Paul Webster in Paris.*

The finance minister, Dominique Strauss-Kahn and the labour minister, Martine Aubry, were told off for arriving late. Mr Jospin listed punctuality among priorities for orderly leftwing government.

From now on male ministers must wear a tie, while all must greet their staff individually on arriving at work. Most solicitude should be shown to chauffeurs, whose hands are to be shaken at the beginning and end of official drives.

Couples kiss in the main square in Monreale, to protest against a ban on public affection PHOTOGRAPH: MIKE PALAZZOTTO

Italians kiss off a ban

A SICILIAN mayor has withdrawn a ban on kissing in public after a protest "kiss-in" in the main square, the Italian daily La Repubblica reported yesterday.

It said 60 youths outraged by Salvino Caputo's ban kissed and cuddled in the cathedral square in Monreale on Wednesday to make their point, risking a 200,000 lire (around £74) fine.

The event, promoted by the local youth wing of Italy's Social Democrat Party, the PDS, had the desired effect.

"My ordnance did not veto kissing, but behaviour offending public decency. Kissing is okay," the newspaper quoted Mr Caputo as saying.

The newspaper said Mr Caputo imposed his ban because he was shocked at what youths got up to in public.

"We don't go over the top. What are we meant to do in the park?" said a a youth named Marco. — Reuter.

Russia tries to lay 1917 to rest

Lenin's niece tells **David Hearst** of her objections to removing his body

TO THE Orthodox Church, he is an "anti-relic and symbol of evil". To the president's legal adviser, he is a mummy whose burial would lead to reconciliation in Russia. To Olga Ulyanova, a steely-eyed 75-year-old, he is known as Uncle Lenin, because she is quite literally his niece.

Ms Ulyanova has set herself the task of fighting the Kremlin-led clamour to have Lenin's body buried and his mausoleum removed from Red Square.

The issue has become a challenge to the democratic credentials of the post-communist state.

A disputed last will and testament has been produced, purporting to show Lenin wanted to be buried next to his mother in a cemetery in St Petersburg. The Russian Orthodox Church has become increasingly vocal about the need to bury an anti-Christ.

And President Boris Yeltsin has proposed putting it to a referendum. "We of course will take account of public opinion, but it is simply not on to preserve Red Square as a cemetery. It's against Christian tradition," he said.

Ms Ulyanova, a chemistry lecturer turned historian, is only too willing to quote Russia's highest authority in her uncle's defence. " 'We cannot discount what was done by him. He is a big figure, a genius. We have to settle our accounts with him, but I am against taking him out of the mausoleum.' Do you know who said that?" Boris Yeltsin in 1991."

Ms Ulyanova has a second argument. Apart from St Basil, buried in St Basil's Church on Red Square, or Ivan the Terrible, buried inside the Kremlin walls, there are 400 others buried behind Lenin's mausoleum by the walls of the Kremlin, among them Yuri Gagarin, the world's first cosmanaut.

"And," she adds, "there are foreigners like the American John Reed [author of Ten Days that Shook the World, an account of the Bolshevik Revolution]. Are we going to send him back to America?

"What happened on Red Square, including the mass executions of Peter the Great, is part of our history and it should be left there."

Back in the seclusion of his laboratories, another Lenin devotee deplores the tenor of the debate. He is Lenin's embalmer, Professor Yuri Denisov-Nikolski. He helps oversee the bomb-proof glass sarcophagus, with its micro-climate and light filters capable of preserving Lenin's body almost indefinitely.

He is a regular visitor to Vietnam to check on his other patient, Ho Chi Min. "Look at Vietnam, they have Pepsi Cola there, the Americans in there, they are embracing the market, but they do not feel any need to destroy the past. There is no clamour to bury Ho Chi Min's body," he said.

The question of Lenin's body is a basic one for the post-communist state. Do you lay the ghosts of the past by erasing their memory? Many generations of Russian rulers, not least the Bolsheviks, tried and failed to do just that.

We know this might sound a little unusual but we'd like you to think less of us.

THE SAAB 900i, ONLY £15,500 ON THE ROAD.
To arrange a test drive call 0800 626 556.

SAAB
beyond the conventional

£199 PER MONTH PLUS INITIAL DEPOSIT. CONTRACT HIRE SCHEME FOR BUSINESS USERS ONLY. TYPICAL EXAMPLE: SAAB 900i For 48 months. Deposit = £3,264.29. Monthly payments = 47 x £199.00. On the road cash price = £15,500.00

TO SAAB INFORMATION CENTRE, FREEPOST WC4524, LONDON WC1B 3BR. PLEASE SEND FURTHER INFORMATION ON THE SAAB 900 ☐ SAAB 9000 CD (SALOON) ☐ SAAB 9000CS (SDR) ☐
Name. . . . . Address. . . . . Postcode GD7
Present car make & model. . . . . Year of reg. . . . . Age if under 18 . . . Attach your business card or phone 0800 626 556 or fax 0171 404 6449
(Contract based on 10,000 miles pa/non-maintenance. Price correct at press date. Excess mileage charges 3.5p per mile. Full written quotation available on request. Indemnities may be required in certain circumstances. All payments include VAT.

'I'm just an ordinary guy. A normal guy with a family, a Coloured guy of average means. But I can feel the full weight of white rugby bearing down on me.'
Playing the game in South Africa
Sport97 page 6

Buddhist monks seek shade as they light cigarettes beside brand-name umbrellas during their morning alms-gathering in Phnom Penh yesterday PHOTOGRAPH: DAVID VAN DER VEEN

Pol Pot puts Cambodia in a dilemma

Nick Cumming-Bruce in Phnom Penh

MYSTERY surrounding the fate of the Khmer Rouge leader Pol Pot deepened yesterday as Cambodia's royalist leaders backed away from reports that the ageing guerrilla had surrendered.

"Pol Pot has not been found," the first prime minister, Prince Norodom Ranariddh, said, repeating information he said came from his senior military commander.

But Prince Ranariddh continued to hint that Pol Pot, condemned worldwide for running a genocidal regime that cost about 2 million lives, will soon be in government hands. His former followers are not only deserting him, the prince said, they are trying to capture him and "send him to an international tribunal".

The prince's senior military adviser, General Nhek Bunchhay, who is leading contacts with the Khmer Rouge, said separately that he understood Pol Pot had "offered to surrender".

Their comments are the latest in a series of confused reports by royalist leaders, who claim that the Khmer Rouge is about to disintegrate.

"It's clear that it's unclear," the United States ambassador, Kenneth Quinn, said.

The Funcinpec (royalist party) leaders are the only source of reports that Pol Pot has fled Anlong Veng, that he ordered the execution of his former security chief Son Sen, is pursued by Khmer Rouge dissidents, and took other key leaders hostage.

"The statements change every day," a Western ambassador said. "I have many doubts on what we are told."

To dispel scepticism, diplomats say, Prince Ranariddh and Gen Bunchhay need to produce Pol Pot or other rump Khmer Rouge leaders to corroborate their claims.

But attempts by Prince Ranariddh to build an alliance with Khmer Rouge defectors in the run up to elections next year has created an awkward dilemma and is straining the already tense relations with his co-prime minister, Hun Sen.

The prince's apparent willingness to bring senior Khmer Rouge — such as its former nominal president Khieu Samphan — back into mainstream Cambodian politics is fraught with risk.

Only Pol Pot and his notoriously brutal commander, Ta Mok, are barred from amnesty, according to Prince Ranariddh. This leaves analysts pondering whether the easy terms of surrender offered to other high-ranking defectors gives them a chance to re-emerge as a political force.

Diplomats are warning that responsibility for the Khmer Rouge terror does not stop with Pol Pot and Ta Mok, and that any administration will be severely compromised by allowing in high-ranking defectors.

The message is likely to be reinforced by the US secretary of state, Madeleine Albright, who is due to arrive in Phnom Penh — security permitting — on June 28.

The US state department spokesman, Nicholas Burns, gave what he called "an important statement about our view of how the situation should proceed".

He warned that Washington would be "gravely concerned" if senior Khmer Rouge leaders were "permitted to play a role in Cambodian national politics" or keep control of territory occupied by defectors.

N Koreans keep hunger at bay

Teresa Watanabe and Hyungwon Kang report on a people's creative efforts to survive looming starvation

DEVASTATED by heavy flooding which swept away her home two years ago, Yang Soo Bok now struggles with a more pernicious hardship: a national food shortage which has reduced government rations to less than a fourth of a bowl of cornmeal a day.

Yet blooming in her garden is a cornucopia of 12 crops, including lettuce, pumpkin, corn and wheat. She has two fruit trees and a pig and three chickens.

Yang's private food supply, which feeds her household of three, is part of a wave of effort throughout North Korea to stave off mass starvation amid dwindling aid from the isolated Socialist regime.

As slow famine grips this land, giving rise to unconfirmed reports of cannibalism, child-selling and hundreds of thousands of deaths in outlying areas, a visit to North Korea reveals a portrait of self-control and stoic struggle, of a focus on creative ways to survive a disaster.

Residents say they are coping with the food crisis by supplementing rations with alternatives, including mountain roots added to rice and seaweed stir-fried or made into noodles. They are dipping into private reserves of rations hoarded during the last few months and selling off household goods to buy food in the growing number of private markets.

In the capital, Pyongyang, the terraces of apartment buildings have been transformed into food production centres with tiny vegetable plots and rabbit breeding grounds.

"Eating *namul* [edible wild plants] is nothing new . . . it's just that we're eating more of it these days," said Li Sung Suk, aged 50, a Pyongyang cleric.

No one knows precisely whether it is these private efforts that are keeping mass starvation at bay. North Korean officials acknowledge scattered cases of starvation deaths among the elderly and malnutrition among children.

In Unpa, where people have sustained themselves with mountain arrowroot and plants not normally eaten, as many as 30 children are taken into hospital every 10 days with malnutrition, said Cho Hyun Sook, chairwoman of the county's economic administration unit.

The International Committee of the Red Cross estimated recently that malnutrition afflicted just 16 per cent of North Koreans, compared to India's 30 per cent.

"In most countries, if they were confronted with as serious a food shortage as North Korea is facing at this moment, I think we would have seen megadeaths already," said Tun Myat, of the United Nations World Food Programme, based in Rome. "But people there have very developed coping mechanisms."

Given such demonstrated survival skills, sharp differences of opinion are emerging about how well the North Koreans can sustain themselves until the autumn rice harvest.

In a recent special alert the World Food Programme said food stocks were depleted in half the country's 10 public distribution centres, which serve three-quarters of the civilian population, with the rest due to be gone by June 20. About

> 'In most countries with this shortage we would have seen megadeaths already'

1.3 million tons of food aid must be supplied "if a large-scale human catastrophe is to be avoided", the organisation said.

But the South Korean government has calculated that its neighbour can make do until the autumn rice harvests by relying on summer crops, such as potatoes and corn, and new harvests of barley. One reason for the discrepancy is that the South Koreans calculate a person's daily grain requirement at 150 grams, assuming that the northerners can survive on such low levels for a few more months. The World Food Programme pegs its level at 450 grams, still just 75 per cent of what it says is recognised internationally as the minimum calorific requirement.

Virtually no state will extend significant credit to a country with such a poor record of honouring commercial commitments.

Many experts say North Korea could buy more food with its estimated $1 billion a year export earnings but chooses to spend it on other priorities, devoting a quarter of its budget to defence. — Los Angeles Times.

Other company, product or service names may be trademarks of others.

the
"our finance department deals with all the paperwork. Unfortunately the finance department is also me"
solution

The IBM No More Paperwork Programme.

Nobody sets up a business because they like doing paperwork. But it's often the reality of being the boss; long hours spent shuffling forms, not chasing dreams.

Software like JBA System 21 Financials and Pegasus Opera automate almost every kind of boring administrative task, from cash flow and (yawn) stock control to the complete handling of departmental accounts.

Your finance department will also be pleased to hear that we can help fund your investment (In 1996 IBM provided small and medium sized businesses with almost $3.9 billion in IT financing).

To find out which solution can help you reduce your paperwork, phone Andrew Fry on 0990 55 77 11 (quoting GU01) and we'll put you in touch with an IBM Business Partner.

IBM
Solutions for a small planet

IBM Business Partner

Apax Systems
Datel Computing
Gate Computer Systems
HB Computers Ltd
JBA
Lysander Systems Ltd
M.S.C.S. (NI) Ltd
Panacea Limited
Ranmor Computing Limited
RGP Computers Limited
TMB Computer Services Plc
Transputec Computers Limited

هكذا من الأصل

هكذا من الاصل

Green groups warn of surge in elephant poaching

African lobby ends ban on ivory sales

Andrew Meldrum in Harare

REGULATED sales of ivory will resume in 1999 after yesterday's decision by the Convention on International Trade in Endangered Species (Cites) to relax protection of the African elephant in Botswana, Namibia and Zimbabwe.

Jubilant cheers and the singing of Ishe Komberera Africa (God Bless Africa) greeted the victory of proposals by the three southern African countries. The decision reverses an earlier vote on Tuesday which narrowly upheld the international ban on ivory sales.

On Wednesday, African and European delegates met to work out tight international controls to regulate ivory sales and to agree on an 18-month moratorium on all ivory sales. These amendments were enough to swing opinion among the 136 Cites countries in favour of moving African elephants from Cites Appendix 1 to Appendix 2, which permits controlled trade.

The proposal was carried by 74-21 with 24 abstentions, well above the two-thirds majority required.

"This is a victory for Africa," said Julian Sturgeon of Africa Resources Trust. "This is not a threat to elephants. By allowing controlled, legal trade in ivory which will benefit poor rural Africans, this decision ensures the local people will value elephants.

"The legal trade will undercut the illegal ivory trade. Africa's elephants now have a brighter future."

Noting that control mechanisms require increased funding, the Worldwide Fund for Nature announced a donation of $100,000 (£65,000) to Botswana, Namibia and Zimbabwe, and urged governments and aid agencies to increase their funding of elephant conservation.

'The legal trade will undercut the illegal; elephants have a brighter future'

But numerous animal rights activists were dejected. The Humane Society of the United States called the decision a "dangerous gamble", and Greenpeace International warned that it might bring a surge in elephant poaching.

"African elephants and wildlife enforcement officers may yet again pay the mortal price for these hasty decisions," Peter Pueschel of Greenpeace said.

"This is a triumph for sanity, objectivity and for recognising developing countries' ability to take their own decisions on natural resource management," Dick Pitman of the Zambezi Society of Zimbabwe said.

Don Barry, head of the US delegation, said he voted against the proposals but would co-operate with the three countries to ensure the trade was properly managed. "For the sake of the African elephant, we can't afford to fail," he said.

Botswana, Namibia and Zimbabwe wanted to sell combined ivory stocks of more than 150 tons to Japan but settled for 59.1 tons. They say they have more elephants than their land can sustain and that the proceeds will go towards conservation and rural development.

The decision on ivory came a day after delegates imposed restrictions on trade in sturgeon and caviar but rejected easing controls on rhinoceros horn. Cites also rejected, for the third time, a proposal by the US and Bolivia to increase protection for bigleaf mahogany trees.

Staff of Zimbabwe's department of national parks celebrate the decision to resume ivory sales under tight controls PHOTOGRAPH: SARAH-JANE POOLE

New Savings Rates from the Bristol & West.

EFFECTIVE 1ST JULY 1997 (unless otherwise stated).
† Effective 10th July 1997.

ACCOUNT	AMOUNT INVESTED	GROSS RATE OF INTEREST PA* (VARIABLE)	NET PA**
INSTANT ACCESS DEPOSIT	£100,000+	3.80%	3.04%
	£50,000+	3.80%	3.04%
	£25,000+	3.60%	2.88%
	£10,000+	3.30%	2.64%
	£5,000+	2.90%	2.32%
	£2,000+	2.70%	2.16%
	£1,000+	2.55%	2.04%
	£500+	2.35%	1.88%
	£1+	0.20%	0.16%
MONTHLY SAVER	£5000+	3.40%	2.72%
	£2500+	3.40%	2.72%
	£1000+	3.35%	2.68%
	£500+	3.30%	2.64%
	£1+	3.20%	2.56%
90 DAY NOTICE ACCOUNT Interest paid annually.	£100,000+	5.80%	4.64%
	£50,000+	5.50%	4.40%
	£25,000+	5.25%	4.20%
	£10,000+	5.00%	4.00%
	£5,000+	4.60%	3.68%
	£2,500+	4.00%	3.20%
	£500+	3.50%	2.80%
90 DAY NOTICE ACCOUNT Interest paid monthly.	£100,000+	5.65%	4.52%
	£50,000+	5.37%	4.29%
	£25,000+	5.13%	4.10%
	£10,000+	4.89%	3.91%
	£5,000+	4.51%	3.60%
	£2,500+	3.93%	3.14%
	£500+	3.45%	2.76%
120 DAY NOTICE ACCOUNT Interest paid annually.	£100,000+	6.25%	5.00%
	£50,000+	6.20%	4.96%
	£25,000+	6.10%	4.88%
	£10,000+	6.00%	4.80%
	£5000+	5.85%	4.68%
	£2,500+	4.50%	3.60%
	£1000+	4.45%	3.56%
120 DAY NOTICE ACCOUNT Interest paid monthly.	£100,000+	6.08%	4.86%
	£50,000+	6.03%	4.82%
	£25,000+	5.94%	4.75%
	£10,000+	5.84%	4.67%
	£5000+	5.70%	4.56%
	£2,500+	4.41%	3.53%
	£1000+	4.36%	3.49%
ONE YEAR OPTION BOND DEPOSIT Variable (Issue 1) Rate Options paying interest annually.	£100,000+	6.55%	5.24%
	£50,000+	6.55%	5.24%
	£25,000+	6.45%	5.16%
	£10,000+	6.40%	5.12%
	£5,000+	6.25%	5.00%
ONE YEAR OPTION BOND DEPOSIT Variable (Issue 1) Rate Options paying interest monthly.	£100,000+	6.36%	5.09%
	£50,000+	6.36%	5.09%
	£25,000+	6.27%	5.01%
	£10,000+	6.22%	4.98%
	£5,000+	6.08%	4.86%
TESSA PLUS DEPOSIT	£3000+	6.40%	
	£500+	4.90%	
	£1+	1.50%	
TESSA TWO DEPOSIT (Issues 1 & 2)	£9,000+	6.60%	
	£5,000+	6.30%	
	£3,000+	6.30%	
	£500+	4.50%	
PREMIER SAVER An instant access account for investors who limit their access over a 12 month period (No Withdrawals).	£100,000+	4.80%	3.84%
	£50,000+	4.80%	3.84%
	£25,000+	4.60%	3.68%
	£10,000+	4.30%	3.44%
	£5,000+	3.90%	3.12%
	£2,000+	3.70%	2.96%
	£1,000+	3.55%	2.84%
	£500+	3.35%	2.68%
(1-6 Withdrawals)	£100,000+	3.80%	3.04%
	£50,000+	3.80%	3.04%
	£25,000+	3.60%	2.88%
	£10,000+	3.30%	2.64%
	£5,000+	2.90%	2.32%
	£2,000+	2.70%	2.16%
	£1,000+	2.55%	2.04%
	£500+	2.35%	1.88%
(More than 6 Withdrawals). (Rates also apply to Premier Save Bond Issue 4 - no longer available).	£100,000+	2.85%	2.28%
	£50,000+	2.85%	2.28%
	£25,000+	2.70%	2.16%
	£10,000+	2.40%	1.92%
	£5,000+	2.05%	1.64%
	£2,000+	1.80%	1.44%
	£1,000+	1.00%	0.80%
	£500+	1.00%	0.80%
PREMIER PLUS CAPITAL ISSUE 1 Three months notice required for withdrawal (Rates also apply to Guaranteed Investment Account Issue 5 and Guaranteed Investment Account Extra Issues 1 & 2).	£100,000+	5.80%	4.64%
	£50,000+	5.50%	4.40%
	£25,000+	5.25%	4.20%
	£10,000+	5.00%	4.00%
	£5,000+	4.60%	3.68%
	£2,000+	4.00%	3.20%
	£500+	3.50%	2.80%

ACCOUNT	AMOUNT INVESTED	GROSS RATE OF INTEREST PA* (VARIABLE)	NET PA**
PREMIER PLUS MONTHLY INCOME ISSUE 1 Three months notice required for withdrawal, and interest paid monthly.	£100,000+	5.65%	4.52%
	£50,000+	5.37%	4.29%
	£25,000+	5.13%	4.10%
	£10,000+	4.89%	3.91%
	£5,000+	4.51%	3.60%
	£2,000+	3.93%	3.14%
	£500+	3.45%	2.76%
PREMIER TWELVE Variable (Issue 1) Rate Options paying Interest annually.	£100,000+	6.55%	5.24%
	£50,000+	6.55%	5.24%
	£25,000+	6.45%	5.16%
	£10,000+	6.40%	5.12%
	£5,000+	6.25%	5.00%
PREMIER TWELVE Variable (Issue 1) Rate Options paying Interest monthly.	£100,000+	6.36%	5.09%
	£50,000+	6.36%	5.09%
	£25,000+	6.27%	5.01%
	£10,000+	6.22%	4.98%
	£5,000+	6.08%	4.86%
BONUS TESSA (No longer available).	£3000+	5.25%	
	£500+	3.75%	
	£1+	1.00%	
PREMIER TESSA (FOLLOW UP) (Issues 1 & 2)	£9,000+	6.60%	
	£5,000+	6.30%	
	£3,000+	6.30%	
	£500+	4.50%	
	£1+	1.00%	
TESSA PLUS	£3000+	6.40%	
	£500+	4.90%	
	£1+	1.50%	
PREMIER RESERVE BOND	£1,000+	6.20%	4.96%
SECURE INVESTMENT ACCOUNT (Issue 4).	£2,000+	6.20%	4.96%
CHARITY ACCOUNT	£1+	2.80%	2.24%
FULLY PAID SHARE (Rates also apply to Cheshunt Investment Share, Cheshunt Clubs, Cheshunt Ex-Thrift and Cheshunt Subs. Share, all no longer available).	£50,000+	2.81%	2.25%
	£25,000+	2.67%	2.13%
	£10,000+	2.37%	1.90%
	£5,000+	2.03%	1.62%
	£2,000+	1.79%	1.43%
	£500+	1.00%	0.80%
	£1+	0.20%	0.16%
SELECT (No longer available).	£50,000+	2.85%	2.28%
	£25,000+	2.70%	2.16%
	£10,000+	2.40%	1.92%
	£5,000+	2.05%	1.64%
	£2,000+	1.80%	1.44%
	£500+	1.00%	0.80%
	£1+	0.20%	0.16%

(Rates also apply to Bonus Bond Select and Balanced Bond Select). In addition, also applies to the following accounts which are no longer available: High 3o, HiLife, Overseas 3 Month Capital Account, Overseas Prime Access account (†), Cheshunt Foreign 90, Cheshunt Instant Access, Cheshunt Foreign Instant, Cheshunt Instant Gross, Cheshunt Charity Instant, Ex Aid to Thrift, Guaranteed Investment Account Issues 1, 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18 & 19, No 1 Capital (†), Triple Bonus (†), Bristol Plus, Moneylink, Snoopy, Guaranteed Equity Bond 3 Year Issue 1, Balanced Guaranteed Equity Bond 1 Year Issue A & B, Guaranteed Equity Bond 5 Year Issues 1, 2 & 3, Bonus Interest Bond Issue 1, Capital Maker Bond, Premier Save Bond Issues 1, 2, 3, 4, 5 & 6, Escalator Bond Issue 3 (3 years), Fixed for Six Bond Issues 1 & 2, Bonus Return Bond Issues 1 & 2, Bonus Interest Bond Issues 2 & 3, Bonus Bond Issue 2, Secure Investment Account Issue 3, Premier Option Bond all Issues Fixed and Variable, Premier Twelve Fixed Issue 1, 1 Year Option Deposit Bond Fixed Issue 1 and Balanced Guaranteed Equity Bond 1 Year Deposit Issue 1.

SPECIAL MONTHLY INCOME (No longer available) Rates also apply to High 30 Monthly Income, Cheshunt Instant Income, Overseas Monthly Income (†), No 1 Income (†), Triple Bonus Monthly Income (†), Premier Option Bond all Issues (Monthly Income) Fixed and Variable, Escalator Bond Issue 3 (Monthly Income), all no longer available. Premier Twelve Issue 1 (Monthly Income) and 1 Year Option Deposit Bond Issue 1 (Monthly Income).	£50,000+	2.81%	2.25%
	£25,000+	2.67%	2.13%
	£10,000+	2.37%	1.90%
	£5,000+	2.03%	1.62%
	£2,000+	1.79%	1.43%
	£500+	1.00%	0.80%
	£1+	0.20%	0.16%
CHESHUNT SPECIAL 90 (CAPITAL) (No longer available) Rates also apply to Cheshunt Special 90 (Gross) and Cheshunt Charity 90, all no longer available.	£50,000+	3.65%	2.92%
	£20,000+	3.35%	2.68%
	£5,000+	2.35%	1.88%
	£500+	1.95%	1.56%
	£1+	0.20%	0.16%
CHESHUNT SPECIAL 90 INCOME (No longer available).	£50,000+	3.59%	2.87%
	£20,000+	3.30%	2.64%
	£5,000+	2.33%	1.86%
	£500+	1.93%	1.55%
	£1+	0.20%	0.16%
BALMORAL HIGH INTEREST ACCOUNT (No longer available) (Also Balmoral Fixed Rate Bond Issue I and II and Balmoral Limited Edition Bond).	£100,000+	4.30%	3.44%
	£50,000+	4.15%	3.32%
	£25,000+	4.10%	3.28%
	£10,000+	3.80%	3.04%
	£2,000+	2.95%	2.36%
BALMORAL MONTHLY INCOME ACCOUNT (No longer available) (Also Balmoral Limited Edition Bond (Monthly Income)).	£100,000+	4.22%	3.37%
	£50,000+	4.07%	3.26%
	£25,000+	4.02%	3.22%
	£10,000+	3.74%	2.99%
	£2,000+	2.91%	2.33%

BRISTOL & WEST

BRISTOL & WEST BUILDING SOCIETY

Where business booms like a gun

War-torn Mogadishu has probably the freest market of any place in the world, writes **Alex Bellos**

FROM the top of Abdulaziz Sheikh's office block in the centre of Mogadishu you can see the devastation that six years of inter-clan war has brought to the Somali capital.

Almost every building is scarred by mortars, shells and bullets. The city is still divided into three rival fiefdoms, and all its infrastructure has been destroyed — there is no running water or electricity.

Yet Mr Sheikh is pleased with life. "The way it's going now is very brilliant. All we need is a little peace and stability. Things are getting better," he says.

Mr Sheikh is one of a new breed of Somali businessmen flourishing in possibly the freest market in the world. The country has had no central government for six years, so there is no tax system. Even if there were rules to obey, there are no policemen to enforce them.

"There are no regulations. The competition is very healthy for the businesses and for the customers," says Mr Sheikh.

His company, Somalia Telecommunications, was the first to import mobile phones to Mogadishu. With the land phone system destroyed there was a clear need. Now his network is one of three in the capital.

"Through the fighting and all the difficulties the market has boomed in all kinds of trades. Some people are busy with the fighting. Some people are busy trading," he said.

The city's Bakaara market, a square kilometre of stalls, is amply stocked with food, fresh produce, clothes, hardware and guns. In Mr Sheik's office block an airline has just opened, flying to Djibouti.

Across the street is Barakaat, a rival phone company. Like many prospering Somali businesses, it started as a money transfer service. The Somali economy has been financed by relatives abroad and, in the absence of banks, transfer services were needed to bring in the money.

Four months ago Barakaat opened the first Somali bank. Yusuf Jumale, its Canadian-educated 30-year-old director of marketing, points to the walls of his safe: "There is one metre of concrete there. Our money is safe."

'Some people are busy fighting. Some people are busy trading'

Security is the first priority. Of Barakat's 300 employees, 100 are armed guards. But Mr Jumale says the militias "go after the aid — they go after the things that are free".

For his own security Mr Sheikh has given mobile phones to the leaders of the city's three main factions. "You never know," he said, "one of them may eventually be president."

Protesters on the march against Moi in Nairobi

Scott Straus in Nairobi

HUNDREDS of protesters defied heavy security presence in the Kenyan capital Nairobi yesterday and marched through the city demanding constitutional reform and the overthrow of President Daniel arap Moi.

As police herded the peaceful demonstrators down city streets, opposition members of parliament drowned out Kenya's finance minister, Musalia Mudavadi, with boos and thumping feet as he tried to deliver the annual budget speech.

State television, which was carrying the speech live, interrupted its coverage after opposition MPs began their disruption and broadcast traditional African dancing.

A coalition of opposition MPs, church leaders and civic organisations has been increasing pressure on Mr Moi for the past few months to reform the constitution before the presidential and parliamentary elections later this year.

The reformers argue that Kenya's constitution, which includes several repressive colonial-era laws, must be revamped if free and fair elections are to be held. Mr Moi has said a committee will look into amending the constitution but only after the elections.

Opposition MPs claimed victory yesterday, saying they had shown Mr Moi that they could make Kenya ungovernable if he refused to accept constitutional changes.

"The war [for] reforms will continue until the reforms are accepted," vowed opposition MP Martin Shikuku yesterday. "Today President Moi heard the message loud and clear."

News in brief

Condition of Shabazz worse

The condition of Betty Shabazz, the widow of Malcolm X, badly burned in an arson attack for which her grandson has been arrested, worsened yesterday, *writes Joanna Coles in New York.*

Her grandson allegedly told friends he was fed up living with his grandmother.

Turkey seeks PM

President Suleyman Demirel interviewed Turkish party leaders bidding to be prime minister following the armed forces' effective ousting of Necmettin Erbakan and his pro-Islamic Welfare Party, *writes Owen Bowcott in Ankara.*

Trial delay

Hani Abdel Rahim al-Sayegh, the Saudi US officials hope will shed light on the Khobar Towers bombing last year, in which 19 US troops died, was taken to hospital after an asthma attack yesterday as he prepared to plead guilty to conspiracy, *writes Martin Walker in Washington.*

Illness challenged

President Leonid Kuchma removed the Ukrainian prime minister, Pavlo Lazarenko, yesterday because of illness, the presidential office said. But an aide to Mr Lazarenko denied he was sick. — Reuter.

The **Guardian**
Friday June 20 1997
Edition Number 46,895
119 Farringdon Road, London EC1R 3ER
Fax No. 0171-837 4530
E-mail: letters@guardian.co.uk
Website: http://www.guardian.co.uk

Hague's decisive victory

The Conservatives must rejoin the British people

WILLIAM Hague has become the new Conservative Party leader because too few Tories could bring themselves to believe in a Clarke-Redwood pact which survived for less time than the life-span of a mayfly. In yesterday's third and final round Mr Redwood took only a handful of his 38 supporters into the Clarke fold. Most of his mainly Eurosceptic troops deserted to Mr Hague, influenced perhaps by Lady Thatcher's bizarre intervention. For ideologues of the right, a vote for Mr Clarke was simply too much to swallow. Possibly there were also ideologues of the left whose confidence faltered when they contemplated Mr Redwood as Shadow Chancellor (no chance of that now). Together they produced a much larger majority for Mr Hague, by 92 votes to 70, than anyone thought possible.

The immediate result is the election of a largely untested and remarkably young Tory leader. Mr Hague has two great advantages. Firstly, for all the vagueness surrounding some of his beliefs, he is clearly in the centre-right mainstream of the current Conservative Party at Westminster — at any rate much more so either than either Mr Clarke or Mr Redwood. Secondly, and ultimately more important, he has clean hands. He is not in any important way constrained by his record. He is a break with the faces of the past, if not with the ideas or policies of the past. He does not have to spend the next five years defending the Major record if he chooses not to do so. He can remake the Conservative Party and the Tory mentality. He can take his party on a political journey. He has political space.

His victory is good news for Peter Lilley and Michael Howard, who dreamed of leadership themselves early on, but who are now likely to be rewarded with the most senior positions in the Hague team. Also for Gillian Shephard, who switched horses at the right time. A Hague shadow cabinet will also surely have important roles for substantial talents such as Michael Ancram and David Willetts. But the most striking consequence of yesterday's result is the rapid and final eclipse of liberal Toryism. Mr Clarke hurried quickly away into backbench obscurity last night, his political career suddenly at an end. An even greater figure, Michael Heseltine, will now also retreat into retirement. Stephen Dorrell, once heir apparent to the liberal Tory throne, has crowned a year of tactical errors and humiliations with a disastrous campaign. And wasn't there once a chap called John Major who had something to do with it as well?

Mr Hague's victory was always the most probable outcome of the contest. He was not the best candidate, but he was always the best placed. The Conservative Party having moved steadily to the right, there were simply not enough left-wing and centrist Tories — nor a liberal Tory press of any weight — to elect Mr Clarke or anyone else with views like his. Mr Hague is therefore the best leader for the party in the circumstances in which it finds itself. But the great challenge he faces is to understand, and bring his party to understand, those circumstances. Too many Tories — Lady Thatcher herself is the most grotesque example — still believe that a return to pure Thatcherism will be followed by a return to power.

The events of this week may encourage this delusion. But if Mr Hague falls for it, he could lead his party into oblivion. If, on the other hand, he recognises the Conservative Party's eclipse and the scale of the electoral task, then he may be able to map out a recovery path to rejoin the British people. The state of the Tory Party is against him, but it is in the interests of our national political life that he succeeds.

Few nuggets and very small fries

The McDonald's court case was a big waste of time and space

NOT SINCE Pyrrhus has a victor emerged so bedraggled. True, the fast-food giant McDonald's was declared the official winner at the conclusion yesterday of the longest trial in English legal history. True, the judge concluded that the company had been libelled by the "What's wrong with McDonald's" leaflet distributed by environment activists outside its British burger stores. True, the two defendants, Dave Morris, a former postman and Helen Steel, a former gardener, were ordered to pay £60,000 in damages.

But consider the cost of this pyrrhic victory. Firstly, the judge upheld several important charges made by the campaigners against the company, including cruelty to animals used in its food products and exploiting children in its advertising campaigns. Then there was the criticism of the company's misleading publicity involving the recycled content of its packaging and false nutritional claims for a food that was high in saturated fat and salt. But much more serious was the wide support which the McLibel Two received from the world's media in this epic battle between "the small fries and the burger giant". There is even a site on the Internet — McSpotlight — setting out all 20,000 pages of the transcript of the hearings. Then there are the lawyers' fees facing McDonald's: a cool £10 million. Publicly, McDonald's, which has a notoriously unhealthy litigious appetite, has remained tight-lipped over its pursuit of two unemployed green campaigners with no assets, but someone somewhere in its empire must be asking some awkward questions. As PR fiascos go, this action takes the prize for ill-judged and disproportionate response to public criticism.

If McDonald's wants to waste £10 million on a legal suit, that is their affair. But the trial raises important issues of public concern. There is no legal aid for libel so there were no defence costs — the two defendants represented themselves. But the trial tied up a high court — plus its ushers and administrators — for 313 days of hearings spread over two and a half years at a cost of well over £1,000 a day. Here is a classic case to support Lord Woolf's call for the reform of our civil justice system.

His report last year documented the delays, uncertainty over length of hearings, and the obscene rise in legal costs of civil justice. Woolf wanted to divert more cases — medical negligence, personal injury, housing — away from the courts. He wanted alternative ways of resolving disputes, like arbitration, mediation and conciliation. And he wanted much tougher judicial control over cases which went to trial. There was a new Defamation Act last year which is still not implemented in full — and which still falls far short of what is needed. But judges do not need an act to apply firmer control over trials. Even where the accused are defending themselves, they need to set firmer timetables and stricter limits on cross examination.

Footprints for posterity

Greenwich could be a big success now and in future

TONY BLAIR'S bold decision to approve the Greenwich Millennium Exhibition will breathe new life into the project. Overnight it has been transformed from a wobbly idea into something intimately linked to the political fortunes of Labour. By the time the extravaganza closes at the end of 2000, the next general election will be on the horizon. A flop could have disastrous political consequences, but a success would transmit a buzz of excitement lasting until polling day.

There is no reason why it shouldn't. It will be the biggest dome in the world, visible from space, sited on the meridian line at Greenwich where Time has established residential qualifications. When the celebrations start, every major television network in the world will have a camera looking in and providing Britain with a unique opportunity to disport itself to the world. To have cancelled it now would have cost £200 million — nearly a third of the total cost — and the Prime Minister was right to reject that option. If it succeeds up to 12 million visitors could go there providing huge spins-offs not just for the local economy but for the rest of the country as well. The theme will be a window on the future, a looking glass into the 21st century. At the moment lots of ideas — from space walks to virtual reality extravagances — are still chasing a killer theme that will make children nag their parents to take them there. One option would be to move the giant ferris wheel proposed for Westminster downstream to Greenwich.

Mr Blair is right to insist that the exhibition should be built to last. It should be seen as a springboard for renewal and maybe part of the next Olympics bid. Just as the 1951 Festival of Britain bequeathed us the Festival Hall so the Millennium must leave footprints for posterity.

Letters to the Editor

Patient return: the US view

YOU seem unaware that exchanges of medical and psychiatric patients between and among countries is a regular occurrence (Americans dump mentally-ill man at Heathrow, June 16). Patients are sent to and from the UK and the US regularly, for a variety of reasons, including the ability or inability to pay for private medical treatment.

The article is erroneous on many counts. Firstly, the patient in question was not deported. According to the Foreign Office, as well as the US Immigration and Naturalisation Service, he was repatriated to the UK voluntarily. Secondly, he was not "abandoned", but was accompanied by two health carers on his flight to the UK on June 10. One carer returned to the US that day; the other stayed to help him settle in his new surroundings until June 12.

Thirdly, while minimal medical records accompanied the patient on his flight, full medical records were provided to the UK health authorities by June 12, prior to the American health carer's departure.

You imply, through the use of the term "deport", that the US government is responsible for improper treatment of a patient. The patient was not mistreated and, in any event, the US government had nothing to do with the transfer: it was effected by health-care providers in Vermont and in the UK — as is usual in such case — through the medium of the British Consulate General in Boston, the pertinent authority.
William J Crowe Jr.
US Ambassador.
Embassy of the United States,
24 Grosvenor Square,
London W1A 2AE.

YOU are right to condemn the barbarism of the US in deporting to Britain a mentally-disturbed British man. But you reveal double standards when it comes to immigration controls. When was the last time you ran as a headline article the deportation of a black person to, for example, Pakistan?

This "dumping" (to use your phrase) goes on all the time, but largely goes unrecorded. Many of those deported from Britain are also often in an extreme state of mental distress. One reason for this is that immigration laws, by splitting families and uprooting people, can themselves produce extreme psychological trauma. Another reason is that the Mental Health Act itself contains powers of deportation.
Steve Cohen.
Greater Manchester
Immigration Aid Unit.
400 Cheetham Hill Road,
Manchester M8 9LE.

Defining rape

RAPE is penetration without permission (Letters, June 19). The distinction between the terrifying rape by a stranger or strangers and the "date rape" that goes wrong is enormous. The former is a crime or violation of the worst or most degrading sort, with grave after-effects. The latter is a personal situation where someone changes her mind or the signals are misread.

There may be many situations in between, but to confuse the two is to denigrate the horrific nature of true rape as opposed to legally-defined rape. All forces, whether law-and-order, moral, media or otherwise, should concentrate on the prevention, deterrence, punishment or whatever of the first. Not to do so is very dangerous.
Michael Beckman QC.
11 Stone Buildings,
Lincoln's Inn,
London WC2A 3TG.

How to stop the Tube going under

NO ONE would disagree that the London Underground needs major investment. Unfortunately, the transport trust proposed by Keith Harper to raise finance (A plan to transform the Underground, June 18) is simply a return to the London Passenger Transport Board as constituted between 1933 and 1948. That body could borrow money on the markets, but in practice all the major investment programmes, which extended the Underground in the 1930s, were funded on soft loans from government as part of unemployment-relief schemes, rather than commercial debt.

To say that borrowing by the trust would carry no guarantee is naive at best. Would any government let the transport authority for London go bust? The effect would be that the trust would have to borrow at commercial rates from lenders who would know that, in the final analysis, government would have to step in to prop it up if it got into financial difficulties.

Instead, why not issue government-backed bonds from a public authority which would attract gilt-edged interest rates? Why not simply have the Treasury advance money to London Transport against hypothecated congestion taxes or payroll taxes? The only advantage would be that trust borrowing would not count against the PSBR; but this is a Treasury concept, which has very little connection with the real world.

LT ain't broke — it is just short of money. Give it adequate funding, free it from the artificial shackles of the PSBR and it could undergo a radical transformation.
Thom Conway.
31 Dulwich Road,
London SE24 0NJ.

WHY does John Prescott want to deliver London Underground to a company with majority private-sector control? Because even 51 per cent public control would mean its borrowing counted against the public-sector deficit. The Maastricht convergence criteria are far more important than having a Tube system superior to South West Trains.
(Dr) Anne Gray.
194 Sirdar Road,
London N22 6QX.

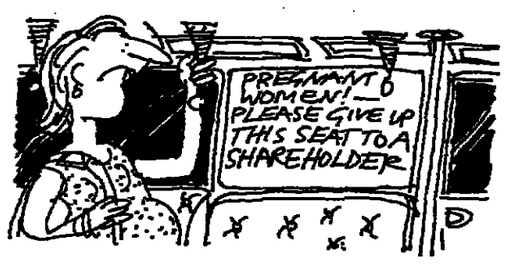
BEFORE the election, Glenda Jackson promised that "if the election is on a Thursday then the privatisation of London Underground ends on the Friday". As this no longer seems to be the case, and the Guardian has joined in singing the praises of the Private Finance Initiative and Public Private Partnership, perhaps it is time for some common sense.

Capitalists run businesses; not charities. That means any private money coming in to the Tube will require a return — a profit. This profit can only come from massive fare rises, asset-stripping or increased government subsidy (though I suppose slashing wages and nicking the pension fund might also help). The idea that private-sector management might increase efficiency is risible. Current management has *come* from the private sector.

Either way this profit creates an extra cost for passengers or the taxpayer. That is why privatisation of BR led to both a huge increase in the level of subsidy and the worsening of services. Who do you think pays for the dividends of Railtrack and the train-operating companies?

The major beneficiaries of public transport are large employers and businesses. Their staff get to work; their customers get to shop. They want a better system — so let them pay for it. A levy on large companies to fund the public-transport system works in other European cities, so why not here?
Finn Brennan.
46 Hanover Road,
London N15 4DL.

THE Tube keeps London functioning as a capital city and financial centre, and it enhances land values immensely. Look at what is happening to land prices in Paddington, in anticipation of the new Heathrow rail link. These values are publicly created by all of us who live and work in London. They could be just the source of revenue we need to invest in the Underground. Many other countries manage to rate public expenditure by taxing land values. Why not Britain?
Hugh Venables.
Henry George Foundation.
177 Vauxhall Bridge Road,
London SW1V 1EU.



World Service: a new SOS call

JOHN Tusa's trenchant call for government intervention to save the BBC World Service is ironic indeed (This is the BBC, unfortunately, June 14). The World Service is admired and respected, not because it is British, but because it reports and analyses events with as much accuracy and impartiality towards Britain as towards any other country.

The state-funded broadcaster who is as critical of his own country as of any other cannot fail to earn the world's trust. Not a single government in London has ever understood this.

Under the impact of Birt, Bland and Thatcher, the world's trust is evaporating. The still mercifully incomplete merger of domestic and World Service news-gathering is accelerating, with dire results. It's the same with language. Domestic services, with a few honourable exceptions, are a lost cause for good English, but millions of people still depend on the World Service, as much for good English as for good reporting.

John Tusa is right, though it is very late.
John Rettie.
Braegill,
Aggiethorpe,
North Yorks DL8 4TN.

WHEN the former Foreign Secretary gave reluctant approval to the unscrambling of the World Service last year, he stipulated that his review panel meet again after 12 months to check whether the required safeguards had been met by the BBC governors and the director-general.

I trust that a new Foreign Secretary will insist not only that this review panel meets again this summer, but that rubber-stamping is ruled out. If Britain is to play a constructive role in the world again, it needs a dedicated World Service with high staff morale.
Christopher Bell.
Sands, Shire Lane,
Chorleywood, Herts WD3 5NH.

FOR so impassioned and intelligent an advocate, John Tusa has very little to suggest on how to fix the problems he perceives. There was little concrete on offer in his essay other than disinventing the changes he dislikes, or relying heavily on the questionable position that a possibly sympathetic new Labour government might try to reverse some of John Birt's reforms. It's time to present a realistic, alternative plan for re-reform.
David C Feingold.
3 Asmara Road,
London NW2 3SS.

Off the wall

WHEN I expressed to an archaeologist friend in Rome my disgust at the graffiti disfiguring the city, he said it was the art of the people, and showed me the famous early anti-Christian wall cartoon of Jesus with a donkey's head. I asked what he would feel if all his beloved frescoes had "historic" scribbles on them, and he admitted he'd feel pretty murderous.

Please don't sentimentalise criminal damage, John Ryle (City of Words, G2, June 16): even railway sidings have been designed by (and belong to) someone, and if you stepped out of your house to find it had been "tagged" in the night, you'd be unlikely to salute the "art of the people".
Christopher Turner.
23 Mill Pond Close,
Sevenoaks, Kent TN14 5AW.

Relative values

YOU juxtapose Lawrence Donegan's plea for an anti-devolution spokesman in Scotland (Commentary, June 19) and David McKie's discussion of the Family Records Centre (Laughter and tears with the relatives, June 19). But you omit to reveal the heavy costs of searching for Scottish antecedents in Edinburgh.

If the latter had used maternity facilities over the border, they could have saved their posterity a small fortune in free access to English records in London. The progenitors of this Unionist tartan tax have been consigned to the archives; will their successors restore fairness and equality both north and south of this still sceptred isle?
(Prof) J W M Chapman.
Saltire House, Ripe,
Nr Lewes, E Sussex BN8 6AX.

No beef in this McJudgment

I WAS in court to hear Mr Justice Bell read out his judgment in the McLibel case. I was somewhat surprised to hear him state: "Even in Brazil, where the evidence of dispossession of small farmers and tribal people for cattle ranching generally was strongest, I am unable to draw the inference that any cattle ranchers whose cattle have gone to make McDonald's burgers have been implicated."

Last year I was called as a witness by the defendants, Helen Steel and David Morris. I have written a book on the Amazon, and have been following the deforestation of the Amazon Basin for over 20 years. Just before I gave evidence, the defendants received a list of some of the local districts, *municipios*, in Brazil with ranches now supplying McDonald's with beef. To my surprise it contained the name of districts in the north of Mato Grosso and Golas. The list included districts which I had visited in 1974 and 1975 when gathering information for my book. At that time, they were covered with dense tropical forest. Since then, they have been cleared and much of the area is now covered with cattle ranches.

A few days later I spent two or three hours in court, giving evidence, with the help of a map, to show that areas now listed as supplying beef to McDonald's had been covered with rainforest when I visited them in the 1970s. At the time Mr Justice Bell said that my evidence was one of the most important contributions to have been made in these drawn-out proceedings.
Sue Branford.
67 Helix Road,
London SW2 2JR.

We do not publish letters where only an e-mail address is given; please include a postal address. We may edit letters: shorter ones are more likely to appear. We regret we cannot acknowledge those not used.

A Country Diary

CO LONDONDERRY: The intrepid band of itinerant golfers who travel each June from Stinchcombe Hill in deepest Gloucestershire to Ulster to take part in the Black Bush Causeway Coast Amateur Tournament arrived in unusual climatic conditions. "Its warmer than Corfu," said one of our hosts in Kilrea. This climatic reversal must occur in June at least twice in every 10 years. Instead of the northwest wind, which sweeps in over Lough Foyle from Inishowen and Malin Head with heavy showers full of the feel of the North Atlantic, we were favoured with gentle airs, sunlit days, and the north coast links courses in relatively benign condition. I only had to fish my raingear out of my bag on Friday morning, and then only for light drizzle. The larks sang sweetly as we embarked on the annual assault over the Valley course at Portrush. Tuesday saw us at Portstewart with the mighty Bann skirting the western edge of the course. On our rest day, Wednesday, just for a change we played in the Masserene Open on the northern edge of Lough Neagh. In the more familiar context of inland golf, I finished with 31 Stableford points; a total I never matched through the four days of links golf of the Black Bush foray, where the particular demands of bare lies, half-acre greens of infinite subtlety, and the dog roses in the rough all add penalties to the incautious golfer. But the last day did see a minor triumph. This year our rotation saw us finishing the four rounds of the tournament at Castlerock, and over the last nine holes I had my best run, accumulating 17 Stableford points. But the best bit, which won the Stinchcombe Hill company some balls for the prize fund, occurred on the par 3, 14th hole, 168 yards, where I chipped in, over a bunker, from 30 yards off the green for a birdie 2. The resident professionals run a subsidiary daily competition in which recorded twos win a share of the bills paid for by the entrance fee of £1; that day the wager was well invested.

COLIN LUCKHURST

هكذا من الأصل

هكذا من الاصل

Diary

Matthew Norman

FEARS grow that Hong Kong tycoon David Tang — once fabled as a highly sociable stalwart of the international super-rich (and a friend of Jimmy Goldsmith, no less) — has developed a reclusive streak, and is now almost impossible to locate. The worry stems from the pre-printed page of his contact numbers that accompanies any fax from David. The only numbers listed are for the following: his office; at the Mandarin Hotel; at the Rose Garden ("flat in town"); and at Sai Kung (house by the sea). For those there are both phone and fax numbers. There are telephone listings only for: Mr Tang's driver, Alex; Mercedes; Renault; Rover; Bentley Corniche; Bentley S2; and Jeep. Nothing at all, then, for the Morris Minor 1000, the Citroen 2CV, the upstairs loo at his fourth house on the bay, the airing cupboard or his sock drawer. This is extremely worrying. It could be Howard Hughes all over again.

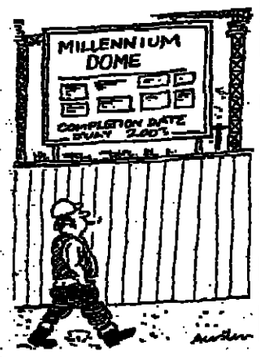
NEIL Hamilton's attempts to find a new career take on a fresh urgency. Neil was spotted yesterday in the lift at Canary Wharf, which he exited on the 11th floor. The visit's purpose is unclear — a tax-advice column, perhaps, on the financial pages of one of the Telegraph titles? — but he made it without Christine, igniting speculation that he may have learnt sign language. What upsets us, however, is the hole in his left shoe, and I will be contacting the Charity Commissioners forthwith to discuss re-allocation of residual funds of Bumley Relief.

FOR Tina Brown and Harry Evans, who are seeking to rebuild bridges with Mr Tony Blair after Joe Klein's critical New Yorker piece, there is good news and bad. Mr Blair is in New York at the weekend, and is going to their new place on chic East 57th Street for dinner; John Updike is expected to be one of the party. That's the good news. The bad is that this dinner is described as the pay-off for all their hard work, but that's it: there will be no jobs for either, in England or anywhere else.

MEANWHILE, Downing Street press officer Maggie Cleaver went to New York in advance, to scout for a hotel in which Mr Blair will host a bash on Saturday for Wall Street's finest. She finally chose the Intercontinental, telling the management that all was fine except one thing . . . they would have to change the curtains. How neatly this ties in with the musings of her boss Alastair Campbell, who this week railed against hacks getting free gifts in Amsterdam. "Why should they get all these freebies," asked the Maxwell hagiographer, "when people are short of food in many European capitals?" Please God this concern for the disadvantaged extended to him permitting Miss Cleaver to avoid the horrors of flying economy.

I AM intrigued by yesterday's letter from Royal Opera House pressman Keith Cooper, categorically denying Tuesday's item about plans to reserve the Crush Bar for corporate clients when the ROH reopens in two years' time. Mr Cooper's sincerity is not in question, but colleagues will wonder if he is quite as in touch as he might be. As for the reason for the latest fiasco — the cancellation of Macbeth — this may have less to do with lack of time for rehearsals because of the rebuilding programme than the premature sacking of backstage staff. No doubt Mr Cooper will be writing about that masterstroke shortly, but what even he cannot dispute is that, yesterday, days after the cancellation, an advert for Macbeth appeared on page 29 of the Telegraph . . . yet another witty disbursement of Lottery dosh.

THOSE working on BBC1's Inside Story on Nazi Gold, shown on Wednesday, found a largely admiring log of viewers' calls awaiting when they got to work yesterday, but one message was not so flattering. Why oh why, asked an outraged man from Felixstowe, does the BBC never have anything positive to say about Hitler?



Whatever happened to 'community'?

Decca Aitkenhead

IF YOU live in Hume, Manchester, you will by now be used to seeing big feel-good-factor billboards announcing "Reasons to be Cheerful".

These are a game, if slightly lame, finishing touch to the city's efforts to cheer up this dreary quarter, life in Hume having traditionally offered very few reasons to be this side of suicidal. Now that a whopping regeneration project is nearly complete, those in charge of it suspect the residents could do with some extra cheerleading.

The Millennium Dome at Greenwich, on the other hand, should surely speak for itself. A kind of glorious reason to be cheerful in itself, dedicated to celebration, designed for nothing but pleasure? Well, what a simply splendid notion.

And yet, by Wednesday night its architect, Lord Rogers, was there on the news doing his own version of an eleventh-hour reasons-to-be-cheerful-about-my-dome routine, as his millennial dream threatened to slip away like an extravagant castle in the air.

It would be nice to have felt able to help Lord Rogers out with some reasons to be in favour of his dome. For a start, I don't fancy finding myself keeping company with the Sun, parts of whose campaign — what's that bloody great arty-farty thing all about then, eh? — was vintage tabloid gripe. There is also the matter of being British. Just as it's tricky to whisper misgivings over Europe without being taken for Teresa Gorman, so how do you suggest you might not be too keen on this dome, without signing up to that philistine tradition we do so well? This tradition is apparently quite a problem with us, what with our being sour spoil-sports; and while I secretly think cynicism one of our finest qualities, there is probably some truth in it.

And yet, as Lord Rogers did his best to sell us his upside-down-umbrella idea — or, more accurately, to sell it to Tony Blair — the metaphor which presented itself was too acute, too depressingly perfect, to ignore. The big shiny structure which so excites Peter Mandelson is an awful lot like the most disturbing aspects of Government — grandiose, and conceived with ambition to take a place in history, rather than with any clear idea of what to do with it. In short, terribly impressive-looking, and hollow. It should not be surprising that Blair decided to plough on with it after all. He made the decision, a spokesman announced yesterday, based "on his instincts".

The Millennium Dome was an idea born under a Tory government, a fact which in itself should have tipped us off that Blair would look fondly upon it. It is the work of Lord Rogers, a prince of Labour whose wife's River Café Cook Book is the bible of every Islington kitchen, and the delight of the Blairista dinner party. In the past week, Rogers was reported to be lobbying Blair heavily over dinner; a cosy image which those concerned by the pally nature of Labour's network may find troubling.

GREENPEACE this week condemned the dome, pointing out that the design relies heavily on PVC-coated plastics; PVC, they say, is a cause of dioxin, one of the most toxic human-made substances known to man.

Some 20 Labour backbenchers signed an Early Day Motion on Wednesday opposing it, creatures not yet known for dissident mischief. Richard Branson voiced cold feet midweek. The Sun ran, in all fairness, quite a coherent campaign against it, and, for what these things are worth, a TV poll came out heavily against it. Nonetheless, Blair's "instincts" told him that this dome was a good idea. He hopes, it is said, to "turn public opinion around". The dome is going to "put Britain on the map" — a stirring sort of phrase whose meaning has never seemed clear. I suppose Fred West put Gloucester on the map.

For those who lie awake worrying about exactly what it is which motivates our new government, these are unsettling signals. In the first days after the election it became blindingly obvious that we had elected Blair because we wanted a change of government. One which, for example, would no longer think it a good idea to spend hundreds of millions of pounds of public money on a bizarre tourist attraction in south-east London.

There has been a good deal of confusion about how else this money could be spent, but most of us do understand that it cannot be hoovered out of the Greenwich wasteland and lavished on hospital wards. There are, however, some alternatives to what Jack Cunningham's deputy at the shadow Heritage department described as "a crock of shit", and another Labour MP called "Alton Towers without the white-knuckle rides".

Labour have talked an awful lot about community life. They are keen on communities, and get cross with anyone who doesn't display the proper respect for them. It does not, then, seem unreasonable to expect that they might take this money and spend it on buildings across Britain which would facilitate the community life they're so keen to prescribe, and apparently so reluctant to pay for.

Communal activities require venues, and one might have thought a Labour government would have seized this amazing chance to build beautiful galleries, halls, sports centres and the like for families in unfashionable towns all over Britain, instead of a grand but essentially useless spectacle for foreign tourists to gawp at during their sight-seeing itinerary around London. It would be nice, for example, if, come the year 2000, the people of Hume had a more substantial reason to be cheerful than a notice-board exhorting them to smile. The prospect of a new community hall in Hume or Huddersfield or Hereford may not send Lord Rogers into a frenzy of artistic delight. It ought to excite a Labour prime minister.

AND then you remember that old argument about the philistine Brits, and wonder if the dome's not such a bad idea after all. Had it been conceived with a comprehensive vision, driven on by someone whose creative energies were infectious, our imagination *would* have been captured. It is the project itself, on its own artistic terms, which has failed.

Blair is certainly promising improvements — the most obvious being a pledge not to make the thing so futile that it must be torn down once the party is over. That this was ever a possible fate for the project is a staggering thought. With luck, come New Year's Eve 1999 we'll all forget how much the damned thing cost, get a bit overcome and feel terribly pleased with ourselves.

As an sign of where Labour's heart lies, however, it's been a depressing week. It is easy to imagine Blair and Mandelson parading around their lovely shiny new dome, faces glowing with pride. Now picture these Labour men in a new community development in Hume, and see if the faces look the same. The image is not much of a reason to be cheerful.

Why readers go overboard for my column

Bel Littlejohn

CLOSE friends tell me that my trouble is I'm just too honest. Hell, I can live with that. You could even say it was my job. Let other columnists be "witty", "ironic" or "intelligent". I'm a writer. It's my job to tell it like it is. Readers, lovely readers, write in by their hundreds to congratulate me on my "searing honesty". "Your honesty is so searing," one of them wrote last week, "it has made me want to have mine seared too. What method do you recommend?"

One helluva lot of women — men too — have followed the brave lead set by me when I began my widely acclaimed Another Week Of Misery column in the Observer four years back. Good luck to them — or rather bad luck to them, because a fair dose of bad luck is vital if they want to keep their columns relevant.

I'll tell you how it began. In April, 1993, I was asked to write a piece for the Observer on The Pleasures Of Spring: daffodils, sunshine, frolicking lambs, chirruping birdies, the earth renewed, all that crap. The weekend before I was due to deliver my piece, my then partner, Geoff, announced that he had to "get my karma sorted out by unscrewing my head and really wrapping it round some heavy thinking as to where it's at and where I'm at". Geoff is a high-ranking management consultant with McKinsey, so he had to fit this into a single weekend.

Some kind of Pleasurable Spring that turned out to be. The piece wrote itself, it was that honest. Through a specially formulated programme on my PC, I wrote the first word of each paragraph — "I". And then I compiled a check-list of all the things that rode roughshod into my mind at the mention of the word *spring*:

1) Just six months 'til winter.
2) Lambs to the slaughterhouse.
3) Poisonous snakes and vermin come out of hibernation.
4) Only 18 months 'til the winter after next.
5) Daisy chains can be fatal if they get stuck in the throat.
6) Men — you can't trust them in spring.
7) Or at any other time of the year for that matter.
8) They leave you on a Friday evening — the day they promised to put up the shelves, take the rubbish to the dump, do something about the garden, clear up the garage, lose weight, ring up your mum with an apology, pull up their socks and sort out the accounts. And they don't even have the grace to tell you why.

I took it from there, my pain and misery pouring out on to the page for everyone to read and enjoy that Sunday. Readers, sick to death of phoney columns written by phoney columnists with equally phoney names, responded to my confessional outpourings. The editor, sensing we were on to something, altered the title from The Pleasures Of Life to the more appealing Another Week Of Misery — and the letters came flooding in.

Over the course of the next few months, I wrote 1,000 words every weekend about whatever made me most miserable during the previous week. I felt a degree of responsibility to my readers not to resort to the slick professionalism of the "well-turned phrase", the "cogent argument" or the "keen observation". These were games I refused to play. One week, I would write about queuing for the "fewer than six items" till in Sainsbury's only to discover that the person in front of me had eight items. The next week, I would write about how a stepladder I had bought from the local garden centre was almost impossible to dismantle — possibly a metaphor for my marriage. The following week I would try to communicate that I was bored, unhappy, fed up — using all my powers as a writer to make the reader feel likewise.

These days, Geoff is out of the picture (you're welcome to him, love) but I still try to start with searingly honest details about my day-to-day life, just to draw the reader in. Recent first sentences have begun. "What was I doing, making myself a cup of instant coffee at 11.00 when I usually wait until 11.30?"; "Where can I find a salad-strainer that actually works?"; and "Sometimes, I look at the keyboard, and I can't think of anything to write" — in fact I'm developing this last one into a series.

I AM often asked what I do if I have nothing to write about. Easy. I nudge events in the right direction. For instance, a piece which drew the most enthusiastic reader feedback ("anguished" raved one, "desperate" another) was The Tears I Wept Upon Drowning The Kittens. Until that morning I hadn't even thought of it. But I looked at my blank screen, then I looked at the clock ticking its way to the deadline, then I looked at those kittens, then at the bucket in the corner of the room. After a brief struggle and a bit of splashing, 1,000 compassionate words flooded out. My purpose? To make you, the reader, see that you're not the only one who's miserable, you're not the only one who suffers. Bel suffers too — in fact, this year she's widely rumoured to be winning a major award for it.

John Vidal argues that the McDonald's case raises two concerns: that the libel laws are just for the rich, and that transnationals have more economic and cultural power than many elected governments

Empire of burgers

MCDONALD'S turns over about $30 billion a year and ranks about 100th in the league of world corporations. It wields more bucks a year than most countries in Africa and in Asia. Financially, it is larger than Tanzania, Ethiopia and Sudan together, though smaller than Nigeria.

Helen Steel and Dave Morris, their critics who emerged yesterday after a mammoth court battle, have a combined annual turnover equivalent to about $12,000. This puts them near the financial basement in Europe and on a par with the average wage of an Indian or a Ugandan.

The questions rear up: what was the point of dragging two penniless people without proper access to the law through the libel courts? Was not a company with unimaginable wealth, and well able to command the best legal expertise, bound to have real advantage? Did McDonald's deliberately take advantage of the British libel laws? How can a company which spends $2,000 million a year advertising itself be damaged by a few people handing out a few thousand leaflets?

If national and local government cannot be libelled because they are considered by the courts well able to withstand criticism by the public, is there not a massive case now to reform the British libel laws? For a start, should not Parliament consider putting corporations into another legal bracket? Libel has clearly become a game for the rich to play. As such, ordinary citizens now find it perilous to criticise the powerful. Should not legal aid for defamation cases be available in certain circumstances?

Elsewhere they do libel and defamation better. Most of the contents of the offending London Greenpeace leaflet would never even have made it to the American courts. There, companies and public figures must show that the critic knew that was being said was false before they can get to the courts. The long-suffering, monumentally patient Mr Justice Bell, eagerly preparing for life after McLibel, has hinted as much that others should take up the case for reform.

In short, the McLibel trial has made great theatre but a mockery of good sense. It is not surprising to find both sides yesterday claiming victory for diffrent reasons.

Despite claims of total vindication, McDonald's must be devastated. Two-and-a-half significant areas of the case went almost completely to their untutored, unprepared and unresourced critics. The areas where the corporation took a battering — cruelty to (some) animals, expolitation of children via advertising, and low pay — go to the heart of its business. It may have won the majority of the legal points, but the stains on the nature of its business will not go away. There are already calls for a company enquiry into how it treats animals, and the next generation of humans. But the case raises other issues that pass well beyond the remit of the British courts and are much more to do with democracy, corporate accountability and the right to criticise the powerful.

McDonald's is no different from many other corporations in that it has grown exponentially in the past decade with worldwide deregulation of industries, the rise of globalism and the fall of Communism. But where once size had a point, even a limit, it is tempting now to see the corporate world becoming self-referring, culturally out of contact with ordinary people and close to a point where the civil society should be deeply concerned. New figures emerged yesterday from the New Economics Foundation. The world's top 500 companies, it seems, employ 0.05 per cent of the world's population but control a quarter of the world's economic output. The combined assets of the 50 biggest companies is now 60 per cent of the world's $20 trillion of productive capital. In eight sectors, including cars, aerospace, electronics, steel, armaments and media, the top five corporations now control 50 per cent of the global market. Increasingly the question is: who governs them? And for whom?

We — sorry, the corporations — are creating a world where ever fewer people, who have not been democratically elected, who are truly socially accountable, and who have no remit beyond making as much money as possible — are making fundamental decisions about what we eat, how we use the land, what we should watch, how we should move and how nature and people should be treated. Apart from the likes of Steel and Morris, and small groups pressing for social change and justice, corporations are barely monitored and unaccountable.

This power is no longer merely financial, but also cultural. It is beginning to dictate the fundamentals of life. Ten corporations now control nearly every aspect of the world's food chain. Four control 90 per cent of the world's exports of corn, wheat, tobacco, tea, pineapple, jute and forest products.

McDonald's is a tiddler compared to General Motors, which is financially four times its size. Nevertheless one in 10 people in the US get their first job with the company; more people recognise the Arches than the Cross; the company has taken over from the US Army as the West's largest staff trainer; it is the world's largest single buyer of potatoes, beef and chicken. The world has changed immensely in the decade since Steel and Morris started grappling with McDonald's, and it has been uniquely to the corporations' advantage. The motor of global and national politics is now almost exclusively driven by corporate financial priorities.

Effectively corporations now set the agenda for the EU, Nafta, the World Trade Organisation and the Asian "tiger" economies. Their executives fill the advisory committees of the global bodies which sit in secret; they advise the national politicians; they unsparingly lobby the parliamentarians and the policy makers and have easy access to every level of government; and, with next to no social remit, they set an agenda designed purely to maximise the financial returns of the few and to outmanoeuvre the myriad (though increasingly organised and virulent) citizen groups which press for social accountability, monitoring and clear codes of conduct.

IT IS not sleaze in the sense of brown-paper envelopes; but corporate affairs are today fabulously cosy, untransparent and in many cases exist right on the limits of what societies consider ethical. Steel and Morris have risked all to confront one of the most powerful corporations on earth and have done what no other well-resourced group or non-governmental group was prepared to do.

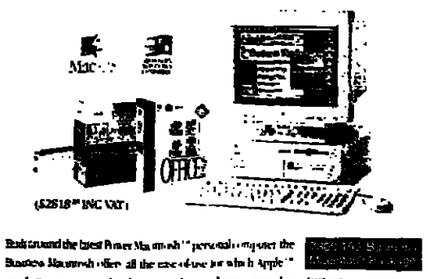
McLibel the trial resembled nothing more than a bizarre public enquiry into a corporation whose sense of broader social responsibility was honed to self-advancement in many areas. The company executives who paraded through the courtroom above all suggested that what was good for McDonald's was good for everyone. There was little or no comprehension that quite legal activities might be unacceptable to the public or even a libel court. It was an extraordinary snapshot of corporate faith and fealty in the 1990s; of how we live today, and how corporations treat people, animals and nature.

It is unimaginable that any company will be so arrogant or so stupid to go through the same experience again. It is equally unimaginable that Steel and Morris, having invested so much of their life in the case, will let it end here. When Paul Preston, the UK president of McDonald's, said just before the trial began that being with McDonald's "isn't a job, it's a life", they began to understand what he meant. We should thank them, warmly.

John Vidal, the Guardian's environment editor, is author of McLibel (Macmillan, £15.99)

A new business partner for £2399™

(Order before 30th June and receive 8Mb of RAM and SoftWindows™ free)



Freephone Hotline 0800 018 1618

Fax 0181 318 1802 E-mail business@mygate.com

Please send me details of the Business Macintosh and other Apple products.
Please also enter me for the free prize draw and send me my free pin badge.
Name
Address
Postcode
Please return to Mygate Ltd., FREEPOST LON7729, London, SE12 8BR

Mygate

Authorised Reseller

Julia Smith . . . the severity of a superior in a religious order

Julia Smith

Godmother of soap

JULIA Smith, who has died in her late sixties, was associated with many of the BBC's most successful series and soaps, including the consistent ratings leader, *EastEnders*, watched by up to 30 million viewers, and one soap untypically concocted as a marketing exercise, *Eldorado*, which failed to win over the critics or the cynically-expected audiences and lost the BBC millions of pounds.

The strengths and weaknesses of Smith's greatest success, *EastEnders*, were also those of herself as a series producer or script editor: a strong narrative line, an insistence that social realism should include adultery, abortion, homosexuality, illegitimacy, imprisonment, drug taking, drunkenness and anything else normally swept under the carpet and likely to get up Mary Whitehouse's nose; and what some perceived as a shortage of warmth and humour.

Julia Smith took herself seriously in the best and perhaps worst senses of the phrase. The failure of *Eldorado*, the story of British and other expatriates whiling their lives away to no great purpose except to exhibit to the viewers their suntans in sunny Costa del Sol, affected her badly.

That soap began in embryo in 1991 after preliminary talks with Tony Holland, her scriptwriter/director and professional associate for 20 years; was on screen in 1992 with the help of an entire Spanish village and surroundings built virtually as an outdoor studio, and ended in 1994 amid recrimination that was only stifled with difficulty.

She pointed out in 1992, when it was announced she was "taking a break from production" that it had been her practice to "drain" herself into all her projects; but her departure from *Eldorado* and then its departure from the screen might have floored a much less intense human being. Even the then Arts Minister, David Mellor, had gone on record as concerned about the £10 million a year the BBC was spending on the Spanish soap.

The fact that she had left *EastEnders*, a constant success despite or perhaps because of the constant criticism from some quarters of its social grittiness, only to pursue the Spanish illusion that a collection of rootless characters in luxurious limbo could come alive if they were stereotyped enough, possibly added to the pain. When she left *EastEnders* she had vowed she would never take on a similar long-term proposition again, which was another cause for dissatisfaction. The irony was compounded by the fact that nothing in her personal background would have indicated that anything like soaps would become her forte.

Julia Smith, who had been working in television for over 30 years, beginning with adapting Shakespeare plays for the BBC after leaving the Royal College of Dramatic Art, was born in London, the daughter of the principal professor of singing at the Royal College of Music. Her uncle was Herbert Menges, a music arranger for Gielgud and Olivier productions. Her family home was in Bedford Park, the stylish part of Chiswick in west London, which was designed as Britain's first garden suburb. She retained the family home, living there on her own except for Rowley, the dog made famous as Angie and Dirty Den's dog in the Queen Vic, the *EastEnders's* pub.

> The strengths of EastEnders were a strong narrative line and an insistence on social realism

There was certainly nothing gritty about her own social background. During the war she was evacuated to the West Country, where she went to boarding school. On returning to London, she went to RADA but decided that with her serious face she could never be an ingenue or leading lady and instead went into stage management for touring theatre companies.

The BBC asked her, when she was in her twenties, to adapt the stage production of Menotti's *The Consul* with Laurence Olivier for television. After several years with the BBC, she went back to the theatre, working for the Shakespeare Memorial Theatre at Stratford-upon-Avon for two years, but returned to BBC television in 1963 to direct her first play. She went on to direct 17 episodes of *Doctor Finlay's Casebook*, *Doctor Who*, *The Newcomers*, *The Railway Children*, *Z Cars* and *Spy Trap*.

It was in the 1960s, when she was script-editing the cult series, *Z Cars*, that she first worked with Tony Holland as director. They then worked together on a hospital series, *Angels*, and on *District Nurse*, before *EastEnders*. Few begrudged her special BAFTA award in 1988 for services to popular drama.

It was said Smith created one half of the characters in *EastEnders* and Holland the other. One of the characters she acknowledged as hers was that of the teen-age Michelle, made pregnant by Dirty Den. Smith said that character was dear to her heart because she had a relative with similar problems who had been "mishandled": she wanted to show that an unplanned pregnancy need not wreck a life. Similarly, she was keen to show a homosexual relationship in a good light in *Eldorado*. Mary Whitehouse and her supporters were not entirely convinced by the motivation.

Julia Smith, who always defended her creations with the combative severity of a superior in a religious order, however inconsistent that might seem to some of her critics, admitted that she had never watched a soap before *Angels* and had never seen any episode of *Coronation Street*.

It was not for nothing that she was sometimes called The Godmother. Though she was apt to address her colleagues and cast as "Darling", she had a formidable manner that sometimes disintegrated into scarcely controlled hysteria. A member of the production team of *Eldorado*, admittedly not the most relaxed production of her distinguished career, said she had such wild mood swings that he was able to deal with her only by telling himself she was the same age as his grandmother, so should be treated like his grandmother: ignored. It cannot have been easy.

Dennis Barker

Julia Smith, director, producer and script editor; died June 19, 1997

Billy McShane

The long march from Jarrow to a bitter end

WITH the death of William McShane, aged 86, one of the last links with a great event of the depression years is finally lost. In October 1936, William (Billy) McShane marched to London as part of the Jarrow Crusade, the most famous of the hunger marches.

Billy McShane was born and lived all his life in Jarrow. His life — apart from his participation in a historical symbol of the period — was characterised by long periods of unemployment, and a strong family. He left school at 14, later joined the army (where he became a skilled amateur boxer) but never saw active service. He was called home to care for his alcoholic father, who had come from Ireland to live in Jarrow.

When Billy McShane was chosen to take part in the march in 1936, he was 25, unemployed and married, and his first three children (there were to be seven more) were aged five, four and three. Their mother took them to the town hall, where the whole of Jarrow had turned out to send the marchers on their way. The march was well-organised and prepared, down to how they would be accommodated along the road.

It had even been decided how many miles they would walk each day — and the 200 men (all unemployed) were hand-picked for fitness, strength and good health. At the head of the march was the Jarrow Petition, thousands of signatures locked in a metal casket, which was ritually stored in police stations overnight.

The effect on the towns and villages along the route was extraordinary. The marchers were welcomed with hospitality, food and even entertainment. In Leicester, the local Co-operative workers stayed up all night repairing their boots. Across the political spectrum they attracted much sympathy — a Conservative Party agent said: "There can be no politics when people are fighting for their bread and butter." The marchers had set out to tell the rest of the country how bad things were in the "distressed areas".

But, above all, they were going to petition the government and bring work back to Jarrow. Palmer's shipyard, and the steelworks, had been the town's chief source of employment, and when it was closed down and the giant cranes demolished, it was, in the words of a local man, "as if a blanket had settled over the town. . ."

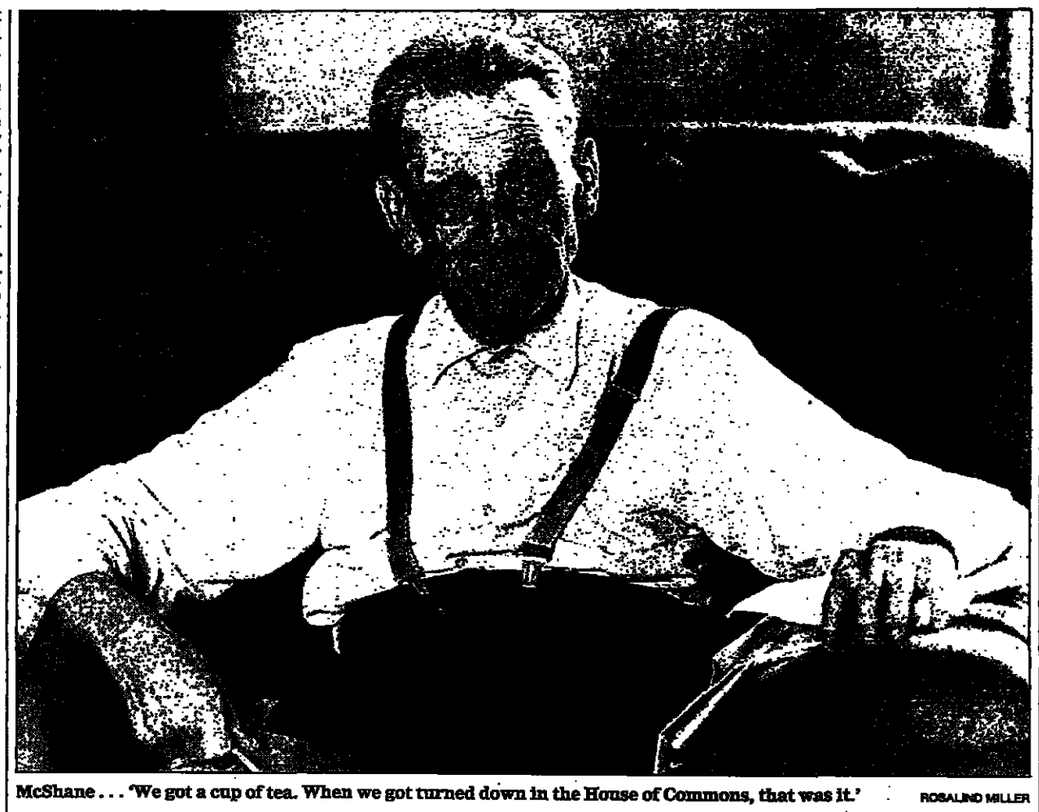
There was nothing for the men to do but hang around the streets: three out of five were out of work. "Nobody could know what it was like," said Billy. But the government cut public spending, introduced the universally loathed means test and waited for a "natural" recovery.

Against this background of deprivation, the people of Jarrow decided to march to London. It was not the first march of its kind but the best-remembered. The reasons are perhaps connected to the efforts Jarrow made to be "respectable", and as far as possible "non-political". All the other hunger marches of the 1920s and 1930s were organised by the NUWM (The National Unemployed Workers' Movement), which had links with the Communist Party, and their arrival in London was generally greeted with a large police presence, and there were violent confrontations.

The state seemed genuinely afraid of a popular insurrection and the marchers were secretly filmed as they arrived. They were routed down streets to avoid building sites in case the bricks proved a temptation. Film newsreel companies were asked by the Special Branch to "refrain from making pictures of either the marches or the meetings," an injunction clearly ignored in the case of Jarrow.

Billy McShane described the excitement and relief when the marchers arrived in London after four weeks on the road. "Edgware Road, from there, well, they started crying, and the heavens opened out. I was soaking. We had got our cloaks on, you know, but you saw the people crying."

But these emotions turned rapidly to anger as they realised they were going to be ignored. "We got turned down. We got a cup of tea, they gave us a cup of tea. When we got turned down in the House of Commons, that was it. You knew you were finished."



McShane . . . 'We got a cup of tea. When we got turned down in the House of Commons, that was it.' ROSALIND MILLER

March to tell the country how bad things were in Jarrow

Their reception in Parliament was derisory. They were sent on a river trip courtesy of an MP who had suddenly announced he would open a small factory in Jarrow — a promise never fulfilled. In what must have been a calculated manoeuvre, the marchers were excluded from the crowning moment of their crusade — the handing over of the petition to the House of Commons. They felt betrayed and humiliated.

His daughter Florence says Billy came back an angry man. He was glad he went, it was a great achievement for him, but the government "didn't want to know". Yet they still felt it had been worthwhile, despite their failure to get what they had marched for: "They were satisfied in their own hearts that at least they had tried."

The solidarity of marching and putting their case collectively had its own rewards. And they felt they had the support of people eveywhere. But Jarrow got nothing. It took the war to bring work back to the town. After the war the ships came back, but the yard never reopened. Billy McShane found work cleaning the tanks of visiting ships, and worked his way up to foreman. He retired in 1976, and helped care for his grandchildren. Two years later his wife died leaving him devastated.

Jarrow today is not the bleak landscape of Victorian back-to-back terraces Billy knew. Most of the original housing was demolished in the 1950s and a shining new Jarrow created. When Billy McShane moved house, he refused to keep the old furniture, because he believed it would carry bugs from the old house. His daughter speaks of the old Jarrow of her childhood with nostalgia for the loss of community. "We lived life to the full." But it was a struggle.

Billy McShane is survived by nine of his 10 children and 40 grandchildren.

Sheri Liknaitzky

Billy McShane, Jarrow marcher: born April 4, 1911; died June 17, 1997

Birthdays

Prof William Balchin, geographer, 81; **Prof Arthur Bell**, former director, Kew Gardens, 71; **Dame Catherine Cookson**, novelist, 91; **Wendy Craig**, actress, 63; **Lord Cranbrook**, chairman, English Nature, 64; **Olympia Dukakis**, actress, 66; **Brigadier Jill Field**, former director, Army Nursing Services, 63; **Stephen Frears**, film director, 56; **David French**, convenor, Family Law Bill Coalition, 50; **the Duchess of Gloucester**, 51; **Nicole Kidman**, actress, 31; **Cyndi Lauper**, rock singer and actress, 44; **Sheila McLean**, Prof of Law and Ethics in Medicine, Glasgow University, 46; **Johnny Morris**, broadcaster, 81; **Sir Anthony Pilkington**, former chairman, Pilkington Glass, 62; **Paul Ramirez**, tennis player, 44; **Peter Reid**, football manager, 41; **Lionel Richie**, singer, 48; **Vikram Seth**, novelist, 45; **Prof Sir Richard Southwood**, zoologist, 66; **Claire Tomalin**, biographer, 64; **John Taylor**, rock singer, 37; **Brian Wilson**, rock singer and composer, 56.

Glynn Wolfe

GLYNN "Scotty" Wolfe, the man listed in the Guinness Book of Records as being married the most — 29 times — has died of heart disease in California at the age of 88. His wife, Linda Essex-Wolfe, who is 56, held the record of the most-married woman. He was her 23rd husband. They had planned to renew their vows today, the first anniversary of their marriage. He is survived by 19 children and at least 40 grandchildren.

Death Notices

EMMERSON, Alan, Finnegill, Scotland. Died Sunday 15th June 1997. In memory from all his friends, relatives and campers. A true visionary until the end.

FOTHERINGHAM, James. Died peacefully on 18th June after a long illness bravely borne. He enriched us all. Private funeral, donations to St. Helena's Hospice, Colchester.

■ To place your announcement telephone 0171 713 4567 or fax 0171 713 4129 between 9am and 3pm Mon-Fri.

Jackdaw

Hands up

YOU are being stalked. An unseen danger lurks close by. You can sense its presence whether you're alone or in company. It watches you at work and is waiting when you go to bed, always looking for the chance to take you unawares. And, terrifyingly, there's nothing you can do about it, because the threat is not some hired killer or escaped wild animal, but from part of your own body.

It sounds like fantasy — but this is reality for the handful of unfortunates who suffer from a bizarre and little-known medical condition called Alien Hand Syndrome, where one hand takes on a life of its own.

"I was on a bus," an Argentinian sufferer recalled, "when I noticed a hand approaching me from the right, from behind, and trying to catch me. It grasped my trouser leg and would not let go. At first I thought somebody was trying to rob me, but then I realised it was my own right hand."

If your right hand doesn't know what your left hand is doing you could be in danger, according to Bizarre.

The big sleep

IF a song does come to us in the dream state, it is better to look at it as a soul event, coming from a sacred place, and our response should preferably be one of gratefulness and a search for any possible meaning for our personal journey.

Then, to fashion the song or art received into a shareable form for the enjoyment and/or edification of the greater community is, in my opinion, an additional "obligation" and next step, if one so chooses. Artists, scientists, and all kinds of creative people have been using the dream state to solve problems. The key is to look at it as a gift, rather than as a technique for time management.

Dream analyst Barbara St John on how to write in your sleep, in Songwriter's Monthly.

Young guns

WHAT'S interesting about this summer's list of young heroes is not just who's on it but who isn't: Brad Pitt, Keanu Reeves and Johnny Depp. Their ambivalence about fame is well established. But it's too simplistic to say they don't want to be superstars; what they really don't want is to trade their souls for box-office receipts.

If you're a thirty-something star, you entered your teens in the mid-1970s precisely as De Niro, Al Pacino and Dustin Hoffman were giving some of their most astonishing performances and blurring the lines between charactor and leading man. Now you yourself are famous at a time when fame has less to do with credibility than ever before.

You're almost as obsessed with depth — and as wary of commerce and artifice — as your peers in Pearl Jam. They want you to be another Terminator? He was a robot, for God's sake.

Newsweek on the new generation of reluctant heroes.

High Tech

FOR every optimist who believed computer tech was a liberation, there was a pessimist who figured it was a threat, and figures like Harlan Ellison, Philip K Dick and Samuel R Delany have all told the dystopian side of the story.

Which belief is right? Neither. The invention of the personal computer was something that was completely missed by the prophets of the past. They were too busy arguing over whether the ghost in the mainframe was God or the Devil to notice that the real world had moved on and miniaturised. This is ironic, given that predicting the future is popularly viewed as one of the occupational duties of the SF writer. But for every H G Wells (who foretold the use of the tank and the atom bomb) or Arthur C Clarke (who came up with the idea of the communications satellite), there are a score of bug-eyed fantasists (remember robot mining, underwater cities, electric cars or teleportation?)

The final irony may be that the future of technology goes beyond Good and Evil to become simply Boring.

Tomorrow's world, Arena.

Tourist trap I

YOU see herds [of tourists] everywhere now that the weather is milder, clumping at crosswalks, waiting for the lead sheep to make a move. A traffic light changes and suddenly they stampede, mowing down whatever stands in their path. They mass on the opposite corner and stand to ruminate.

What the tourists don't know is that their resting place can be a perilous thing here: a safe might fall, a crane snap, someone you know might gain minute professional or social advantage.

New York weekly, The Village Voice translates Walk, Don't Walk signs.

Empty words

OF all the lost arts — the stained glass of Chartres, the tiles of Delft, the ink of Gutenburg, the memory system of the Renaissance, the singing of the castrati, the speech of the ancient Romans, the poetry of the minnesingers, illuminated manuscripts, Gobelin tapestry, real tennis, old ale, oral epics, public hangings, penmanship, motherhood, *savoir faire*, and *dolce far niente* — the most lamented art is the art of conversation.

Where is the despot of the breakfast table today? Where are the after-dinner raconteurs? The salon lions? The philosophers, strolling in the gardens and ordering the world through talk?

New York Review of books on the (lost) art of conversation.

Why travel? . . . RA

Tourist trap II

TRAVELLING never was an occupation for the faint-hearted. Even the rich cannot cushion themselves against wrecks, crashes, bandits, terrorists, thieves or food poisoning. The rest of us have to fear, besides these dangers, of every discomfort, inconvenience and humiliation. Nobody in the world, after all, really likes strangers as such — however welcome their money — and although there is a compensating human inclination to be hospitable to guests, it is severely strained by the kind of tourist invasions that are commonplace today.

Yet people are either so bored at home or so easily gulled by the travel industry that this overcrowded, dicey and potentially disastrous activity has come to be seen, even by the unadventurous, as one of life's major prizes.

Indeed, simply to call in question the great good that is travel, with its supposedly restorative, life enhancing effects, is regarded as peculiar, if not heretical — equivalent to denying the evidence of heaven in a predominantly religious society.

The false glamour of travel in the Royal Academy of Arts magazine, RA.

Jackdaw wants jewels. E-mail jackdaw@guardian.co.uk; fax 0171-713 4366; write Jackdaw, The Guardian, 119 Farringdon Road, London EC1R 3ER.

Hannah Pool

هكذا من الأصل

Poor head the agenda for leaders of richest industrial democracies — plus Boris

Rwandan refugees begging for food in Goma before the fall of the Mobutu regime in Zaire graphically illustrated the new mood of self-reliance in Africa PHOTOGRAPH: ENRIC MARTI

Africa's turn at top table

Clinton is setting out to lift the debt burden of Saharan fringe, writes LARRY ELLIOTT

EVERY summit has to have its crowning success, a diplomatic triumph that makes the whole razzmatazz worthwile. In the early 1990s it was help for Russia and in the mid-1990s it was keeping the Gatt trade liberalisation talks on the road. Anti-corruption drives, crackdowns on drug smugglers, action on terrorism have all had their moment. Now it is Africa's turn.

President Bill Clinton has decided that the 1997 summit will be remembered for finding an answer to the debt burdens crippling countries in sub-Saharan Africa. In typical Clintonesque fashion, the plan seeks to help poor countries doing something to help themselves.

The US will go ahead on a bilateral basis if needs be, but hopes and expects that the rest of the G7 will sign up. They probably will, given that the deal offered by the White House is market-driven and hedged with conditions.

Charlene Barshefsky, the US trade representative, said: "The core premises of our plan are that those nations willing and able to pursue the most aggressive growth-oriented economic policies — principally by opening their economies to the world marketplace — are the ones most likely to be the engines of growth on the continent."

There are three main strands to the US proposal, Partnership for Economic Growth and Opportunity in Africa, embracing trade, development assistance and debt. The US is offering easier access to its lucrative domestic market through trade preferences, maximum debt reduction under the highly indebted poor countries (HIPC) initiative, and modest sums of aid to lubricate economic reform.

Governments and development agencies are united in the belief that something has to be done. Africa has been hard hit by weak prices for commodities, which account for 80 per cent of its exports. The trade liberalisation promised by the Uruguay Round has arrived, but it has benefited the rich countries of the North rather than the poor countries of the South.

Debt burdens have risen over the past decade and for countries like Mozambique, Tanzania and Niger, repayments absorb more than the combined national budgets for primary health and education. As a result, human development indicators are the lowest in the world: one in five children will not live until the age of five.

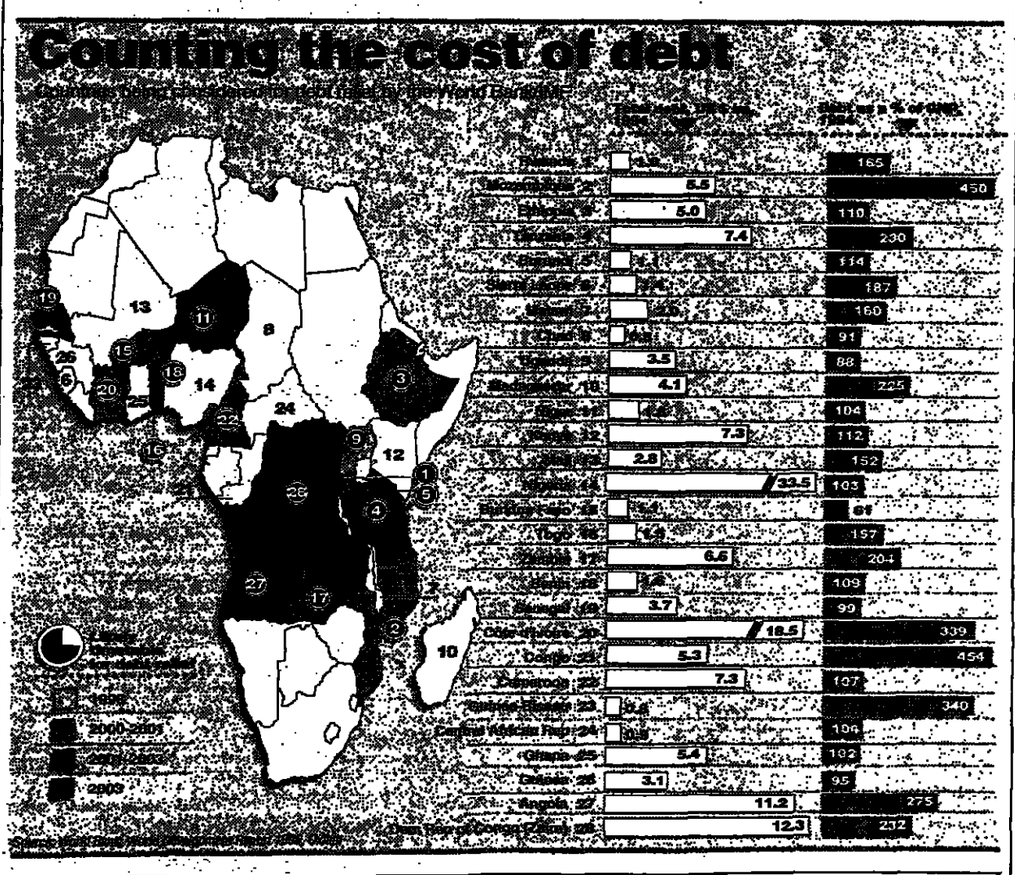
The scale of the problem explains why aid agencies have given Mr Clinton's initiative a cautious welcome. Christian Aid recalls that at last year's summit in Lyons, French president Jacques Chirac, said the gathering would be "a landmark in the history of international finance, symbolised by efforts made by industrial countries to resolve the problems of their poorer counterparts".

But one year on, not one country has benefited from the deal agreed in Washington last autumn. Foot-dragging has ensured that Uganda — darling of the creditor nations and the first in line for HIPC help — will not get its debt relief until next year.

Oxfam says the main advantage of Washington's blueprint is that it is based on the premise that not everything is going wrong with the continent's economy. Despite the brutality in Rwanda and Zaire, there has been encouraging evidence that some nations have turned the corner after two decades of declining per capita incomes. Uganda has been growing at 8 per cent a year since 1992.

As Oxfam puts it: "In countries such as Uganda, Eritrea, Ethiopia, Mali and Mozambique, increasingly self-confident governments and citizens are seeking to forge a more self-reliant future. Recent events in Zaire have graphically illustrated the new mood, with African heads of state rather than western governments, shaping the course of events."

But it has some concerns. First, the initiative would be limited to a small group of countries. Second, it would perpetuate the rigid IMF-World Bank structural adjustment programmes associated with slow growth, declining investment and rising poverty. Third, any easing of bilateral trade rules will be wiped out by the impact of the Uruguay Round. Fourth, the development assistance offered is peanuts compared to the generosity offered by Washington to Europe in the Marshall Plan exactly 50 years ago. Finally, countries have to go through at least six years of pain before they get debt relief. For Uganda, the delay in HIPC relief has meant $193 million (£118 million) of extra debt.



Yeltsin dines out on Nato ticket

Domestic politics will rule economic summit, writes IAN BLACK in Denver

BILL Clinton is in the chair and he's calling it "the Summit of the Eight". The name says it all. When Boris Yeltsin joins the leaders of the world's seven richest industrial democracies for dinner in Denver this evening he will be breaking new ground.

Denver 1997 goes beyond the awkward phrases of recent post-Cold War years — the G7 plus one, or the P (for political) 8.

This time, President Yeltsin takes part in every session of the three-day talkfest except one on purely economic issues.

Mr Clinton, Tony Blair, Helmut Kohl, Jacques Chirac, Italy's Romano Prodi, Canada's Jean Chretien and Japan's Ryutaro Hashimoto all welcome him to discuss the "security threats of tomorrow" — terrorism, crime, drugs, disease and nuclear safety, on top of the traditional G7 agenda of debt, trade and financial reform.

And with little more than a week left before the handover of Hong Kong, there are hopes that a strong signal from here will help preserve autonomy and prosperity when the Chinese are in charge.

Mr Yeltsin stayed away from last year's Lyons summit, beset by ill health and crucial elections, but his high profile in Denver reflects the urgent need to integrate Russia into wider international society — ignoring criticism that its poor free-market and democratic credentials do not justify the reception.

Politics do: Mr Yeltsin's meal ticket was bought by his agreement to the expansion of Nato, sealed at last month's grandiose charter signing ceremony in Paris, "part of the West's psychotherapy for Russia," in the words of one Moscow-based analyst.

Embracing Russia goes beyond the posed intimacies of Bill n' Boris: the summit communiqué will convey strong support for continuing reform — and more foreign investment — while there will be practical help with the Soviet legacy in the form of a new concrete sarcophagus for Chernobyl.

But Moscow may be disappointed over hopes of accelerating its admission to the World Trade Organization, the Paris Club and the OECD.

Russia also needs to be kept on board over a range of other sensitive international issues: nuclear proliferation, not undermining the US-led containment of Iraq and participating in efforts to keep the faltering Arab-Israeli peace process on track.

With Nato's Madrid summit three weeks away, Paris and Rome are angry that Washington has quashed their hopes that Romania and Slovenia, as well as Poland, Hungary and the Czech Republic, can be invited to join the first wave of eastwards expansion.

Further east, the Hong Kong handover is concentrating minds, with Mr Blair hoping to persuade waverers like France and Canada to follow the British-American line and boycott China's inauguration ceremony for the handpicked body replacing the elected Legislative Council.

With no big international crisis on the horizon, every leader here will be playing to a domestic gallery. Mr Clinton can boast a robust economy, with low inflation and unemployment and a shrinking budget deficit, though White House officials stress that dealing with global problems helps people at home.

There are hopes of a strong signal on Hong Kong to help preserve autonomy and prosperity

President Chirac and Chancellor Kohl, bruised by their electorates and the European single currency, are certain to discuss next moves on the euro after the recent ructions, though Lionel Jospin, France's new premier, and Theo Waigel, the German finance minister, are staying at home to deal with aftershocks.

Improved terms of trade for Africa and some debt relief for the poorest countries will help convey a sense of global responsibility by the world's richest democracies, though lobbyists may again be disappointed at the gap between summit rhetoric and post-summit reality.

Beyond the photo-opportunities and the bonding, Denver will drive home the point that the old distinctions between the political and economic, the domestic and foreign are less valid than ever.

Lobbyists push labour rights

British commitment could save lives of trade unionists, argues RUTH MAYNE

THE G7 meeting will be an opportunity for the Government to put its commitment to human rights into practice by getting the case for a social clause at the World Trade Organisation firmly back on the international agenda.

Such a clause might have helped prevent the deaths of workers such as Rafael Gonzalez Barraza, a prominent leader of the Colombian petrol union USO who was gunned down last October outside his house. He was one of the 264 people murdered around the world last year in a continuing war against trade unions. Thousands more were intimidated, arrested or dismissed.

Some of the countries most vocal in their opposition to multilateral efforts to protect labour rights, such as Colombia, are those with the worst human rights records.

A social clause aims to improve labour conditions by making WTO privileges conditional on compliance with a set of fundamental rights below which no governments would let their workers fall. It would give workers a tool they could use to put pressure on their governments to recognise workers' rights.

Part of the case for a social clause at the WTO rests on the recognition of the link between trade and labour standards. Despite evidence from the OECD that the abuse of labour rights does not confer long-term competitive advantage, the pressures from globalisation have helped lower labour standards in rich and poor countries.

Much of the controversy surrounding the social clause has stemmed from misunderstandings about which conventions it would include. Many Third World governments fear that it would be used as a means of destroying their comparative advantage which comes from low wages. Yet the International Confederation of Free Trade Unions' proposal only suggests incorporating the seven internationally recognised core International Labour Organisation conventions covering the rights to freedom of association, collective bargaining, freedom from discrimination, equal remuneration, forced labour and child labour.

Most WTO members are already signatories to these conventions. Their incorporation in a clause could not mean imposing a global minimum wage and would not prevent poorer countries pursuing competitive advantage based on low wages. Oxfam, the British charity, is advocating a still more focused approach which entails incorporating in the first instance only the two ILO conventions dealing with the right to freedom of association and the right to collective bargaining.

Another legitimate fear of developing countries is that trade sanctions would mainly be employed against weaker economies.

To limit this possibility, it is vital that a social clause is jointly administered with the ILO (which represents workers as well as governments and employers).

The ILO would monitor compliance with minimum labour rights and would provide the enforcement mechanism in the form of trade sanctions. Sanctions would only be used as a last resort after allowing a time for countries to improve.

A SOCIAL clause of this kind would directly benefit workers in countries such as China and Indonesia and in the many free trade zones and export industries around the world where basic rights to join independent trade unions are denied.

It could also be used by workers in Britain and the US where the rights to organise and to collective bargaining are curtailed in some areas. The idea is backed by unions in developed countries and from developing countries including South Africa, South Korea, Brazil and Ghana.

Such a mechanism would not solve all the problems associated with exploitative labour practices. Its impact would be largely limited to the export sector. And while it could benefit the large numbers of women working in export zones, it might not do much for unorganised women working in the informal sector.

Strong collective bargaining, a strengthened role for the ILO, consumer pressure to improve corporate responsibility, especially in areas of human rights abuse and conflict, and technical and financial assistance to poorer countries remain vital ways of improving labour standards.

Ruth Mayne is a trade policy adviser at Oxfam

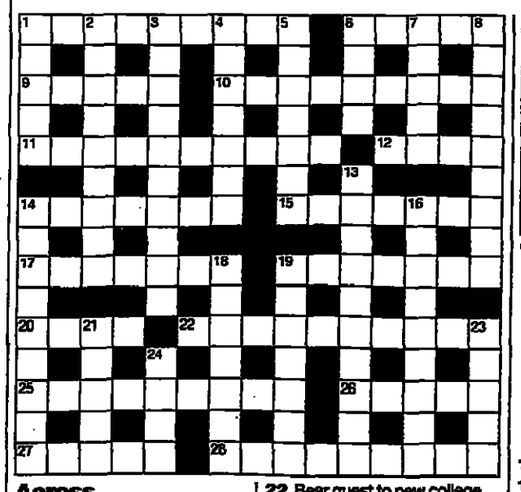
TOURIST RATES — BANK SELLS

Australia 2.13	France 9.297	Italy 2,724	Singapore 2.285
Austria 19.427	Germany 2.76	Malta 0.615	South Africa 7.19
Belgium 58.94	Greece 439.00	Netherlands 3.096	Spain 231.50
Canada 2.225	Hong Kong 12.33	New Zealand 2.312	Sweden 12.45
Cyprus 0.817	India 58.70	Norway 11.555	Switzerland 2.307
Denmark 10.577	Ireland 1.057	Portugal 277.75	Turkey 232,110
Finland 8.344	Israel 5.60	Saudi Arabia 6.045	USA 1.603

Supplied by NatWest Bank (excluding Indian rupee and Israeli shekel).

Guardian Crossword No 20,995

Set by Araucaria



CROSSWORD SOLUTION 20,994

Across

1 Lean lover takes two fish (4,5)
6 Roman numbers relating to society (5)
9 True number of a sphere (5)
10 Having killed when refractory in mood is forgivable (6,3)
11,13 Young nobleman squashed till older, fortunately (6,4,10)
12 See 20
14 Covering to produce too many eggs? (7)
15 Spots setter taking the part of Dawson (7)
17 Picturegoer finds thin coat cooler (4,3)
19 Chestnut audibly stooped to in play (7)
20,12 Currency, European, liable to stick in the mud? (4,4)
22 Bear guest to new college digs, okay? (10)
25 Devil a trial turned out to be fair (9)
26 Epitaph on English cathedral (5)
27 Set to mature outside the West (5)
28 Vex your own dear leaders amongst them: that's what the underdog's up against (5,4)

Down

1 Mountains with left relating to right (5)
2 Make a good map of Winston's place (9)
3 Existence with no frills makes fillip seem desirable (6,4)
4 Parson Elroy loses nothing by merry-making (7)
5 Model social worker has curious fit of temper (7)
6,24 Some thunder split up into meaningless sound (8)
7 Portuguese name for Virginia's firm (5)
8 It stores energy by a trick — more thick (9)
13 See 11
14 Children not working well (9)
16 Meal without a place to sleep — start here (6,3)
18 Hot line fixed to the Flintstones, possibly (7)
19 Character reported by journalist in black? (7)
21 Dead ducks sleep above (5)
23 What's wrong with American channel? (5)
24 See 6

Solution tomorrow

Stuck? Then call our solutions line on 0891 338 236. Calls cost 50p per minute at all times. Service supplied by ATS

NEWSPAPERS SUPPORT RECYCLING
Recycled paper made up 41.2% of the raw material for UK newspapers in the first six months of 1996

ABFPRT

G7: Africa's mood for change, page 15

Tomorrow: The men from McKinsey

Financial Editor: Alex Brummer
Telephone: 0171-239-9610
Fax: 0171-833-4456

FinanceGuardian

LVMH preys on GrandMet

Lisa Buckingham
City Editor

BERNARD Arnault, the boss of luxury goods group LVMH, yesterday splashed out £792 million to buy a stake in Grand Metropolitan in an effort to secure a powerful bargaining position in the company's planned £25 billion merger with Guinness.

The share purchase took LVMH's shareholding in GrandMet to 6.29 per cent, making it the largest single shareholder in the company.

LVMH — whose businesses include Louis Vuitton luxury goods as well as the Moet Hennessy drinks operation — is already the biggest shareholder in Guinness, with a stake of 14.2 per cent.

It is thought that the French company — which put down its first share purchase marker on Tuesday — will try to increase its stake in GrandMet still further.

The share acquisition served to drive up the price of GrandMet's shares. LVMH paid 630p each for of the shares, which lifted the market price of GrandMet by 17½p to 603½p.

It is understood that most of the shares were sold by the big institutional shareholding group, Mercury Asset Management.

Mr Arnault has declared that he is opposed to the proposed merger of Guinness and GrandMet, which would create the world's seventh largest food and drinks combine.

But analysts and sources inside GrandMet and Guinness now reckon the Frenchman is playing a costly but clever game to buy his company a vital seat at the negotiating table.

He has suggested that the three companies simply merge their drinks operations then sell off GrandMet's Pillsbury and Burger King food operations together with Guinness' brewing business.

This would, however, unbalance the share price equality between the two groups, ruling out a merger, and forcing one or other of the companies to fork out a substantial takeover control premium.

"Arnault is one of the most talented men at extracting value and he is now clearly trying to leverage his negotiating position," said one analyst.

Speculation has suggested that Mr Arnault is trying to apply pressure so Guinness will be forced to offer a generous price to buy the company out of 17 joint ventures.

But insiders say Mr Arnault is hoping to inject Moet Hennessy into an enlarged global spirits business in return for a substantial shareholding and a seat on the board.

In another blow, EU Competition Commission Karel Van Miert is expected to institute an in depth anti-trust investigation into the planned merger today, signalling that the commission has serious concerns about the deal's effect on competition.

Although the move has been widely expected because of its size and complexity, it could result in the new food and drinks company being forced to shed some brands. American regulators are also on the verge of beginning an investigation into the merger.

EU sources familiar with the case predicted that the commission would decide the merger was too big and complicated to be waved through. Lawyers and market analysts said the commission's inquiry is likely to focus on the companies' combined market shares in spirits in individual EU countries, such as Spain and Greece.

Brown declares new era of financial honesty as he drops 'unrealistic assumptions'

Tories left £20bn black hole

Richard Thomas
Economics Correspondent

THE Chancellor, Gordon Brown, yesterday disclosed a £20 billion "black hole" in the public finances, previously disguised by unrealistic assumptions on economic growth and likely savings from a crackdown on tax and benefit fraud.

Hailing a new era of "honesty and openness" in the public finances, Mr Brown welcomed a report from the National Audit Office which backed the Treasury's new, more pessimistic, assumptions on privatisation proceeds, unemployment, interest rates, savings from the "spend-to-save" anti-fraud crackdown and growth rates.

"Budgets must be built on honest foundations," he said. "This is the only way to restore public trust in the public finances."

Yesterday the Treasury revised up the forecasts for public sector borrowing published in last year's Budget, putting an extra £500 million on the PSBR for this year, then £3.25 billion in 1998/9, £4 billion in 1999/2000, £5.5 billion in 2000/2001 and £7 billion in 2001/2002 — a total extra shortfall of just over £20 billion during the course of this Parliament.

Evidence of extra pressure on state coffers will strengthen the Chancellor's hand against spending ministers — especially in education and health — who are clamouring for cash to protect front-line services, as well as providing a justification for tax rises on July 2.

Kenneth Clarke, the shadow chancellor, said: "This is a blatant attempt by Gordon Brown to fiddle the figures. He has made deliberately pessimistic assumptions. We have always warned that Mr Brown would look for a spurious excuse to break his promises on tax and spending. That is the sole purpose behind the Labour Government's creative accounting."

City analysts said the NAO report had not tackled the planned squeeze on Whitehall expenditure, which they said posed the biggest danger to the outlook for state borrowing.

David Walton, UK economist at Goldman Sachs, said: "The one area they have not questioned is whether public spending really can be restrained to the extent assumed in these figures."

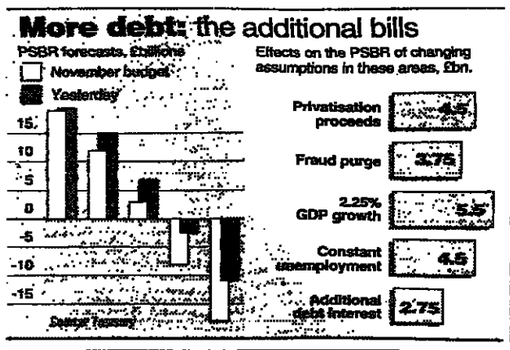
Mr Walton said the most significant change in the Treasury's stance was the downwards revision of the assumed trend rate of GDP growth — the average pace of expansion over the course of the economic cycle — from 2.5 per cent to 2.25 per cent, reversing last November's upwards change.

The Chancellor also crossed out expected revenue from state sell-offs after this financial year, although he held out the possibility of some privatisations at an unspecified time.

The assumption of an unchanged rate of unemployment for the purposes of forecasting — currently 1.65 million — has been restored, after last November's budget pencilled in a fall in the dole queue, while the crackdown on tax and benefit cheats is expected to raise just £3.75 billion, compared to the £6.7 billion forecast in last year's Red Book. Interest payments will also be £2.75 billion higher, as a result of expected increases in base rates and bigger-than-forecast debt levels, the Treasury said.

Gordon Brown promises 'honesty and openness' in public finances PHOTOGRAPH: MARTIN ARGLES

More debt: the additional bills



Chancellor's return to fiscal probity

THE five new squeaky-clean forecasting assumptions given the stamp of approval by the National Audit Office yesterday are largely a return to traditional Treasury practices only abandoned in the Conservative's last budget.

- Treasury officials will go back to basing their forecasts of the economy's capacity to expand on the old estimate of long-run growth of 2.25 per cent. In the last budget this was revised up to 2.5 per cent. The change will add £5.25 billion to the public sector borrowing requirement between 1997 and 2001.
- Last November's Budget also assumed falling unemployment. A return to assuming unemployment to be constant adds £4.25 billion to spending projections.
- The Tories had sketched in £4.5 billion over the next five years from unspecified privatisations. Mr Brown's new assumptions require that only proceeds from privatisation sales already announced appear in the fiscal statement.
- The gains from the last government's Spend to Save programme to cut fraud and error are revised downwards by £3.75 billion from the original £6.7 billion estimate through the exclusion of indirect savings, such as the deterrent effect gained from the threat of action.
- The Chancellor's final move is to change the basis on which future interest rates are calculated. Treasury practice previously was to estimate the level of rates necessary to meet the inflation target. Now that the Bank of England sets the cost of borrowing, Mr Brown proposes that financial market estimates of the future path of interest rates are used instead. This change adds £2.75 billion in additional government debt interest over five years.

Charlotte Denny

New SIB plans an end to secrecy

Dan Atkinson

CITY wrongdoers could face public disciplinary action under plans being considered by architects of the new super-regulator due to take charge of financial supervision at the turn of the century, the Guardian has learned.

In place of the present behind-closed-doors disciplinary regime, bankers, brokers and others would be tried in open court. Not only would those accused of fraud, misselling and breaches of trust face public hearings, but in return, regulators have to bring their procedures into line with the standards of ordinary justice.

The groups working on the blueprint for an all-in-one financial supervisor have hit one hitch, it seems: pay and conditions for Bank of England staff involved in banking supervision, who are due to transfer to the super-regulator, are far superior to those of their soon-to-be colleagues in other agencies.

For Howard Davies, chairman-desginate of the new, enlarged Securities and Investments Board — and currently deputy-governor of the Bank — the dilemma is whether to try to level-up non-Bank staff to Bank conditions (thus loading the new regulator with extra overheads) or try to impose new contracts on those moving from the Bank.

All involved in designing the new, beefed-up SIB are working to a tight deadline of the end of July, by which time they must have the outline of the reformed structure worked out. Super-SIB will fuse the old regulators on the financial side — SIB itself and its three sub-agencies — with the Bank's bank-supervision unit.

Yet to be decided is whether super-SIB will absorb all responsibilities for mortgage regulation and supervising investment exchanges. Other key sticking points include the issue of how far super-SIB's remit will extend into fields such as consumer credit, general insurance and even guarantees on consumer goods, taking the body into areas now policed by the Department of Trade and Industry and the Office of Fair Trading.

It is the proposal for open hearings of disciplinary cases which would mark the most dramatic break with past practice — often condemned as "clubbish". In the late 1980s, the early days of the present regime, as well many hearings being conducted in private even their findings and punishments were often not made public.

That has changed since, but no regulator has yet thrown open the doors of its "court room" to the public.

Notebook

Brown's mandate for tax reform

Edited by Alex Brummer

THE BLACK hole in the public finances which has been the topic of so much discussion since the election, turns out to be far more shallow than the pessimists had expected. The slippages seen between now and 2000 by the National Audit Office are in total smaller than the ballooning of borrowing seen between the 1995 and 1996 Budgets.

The new numbers should, however, add a degree of fiscal credibility to the Chancellor, Gordon Brown's, first Budget. Some of the extra bill comes from lowering the growth forecast to 2.25 per cent between now and 2000, a change which adds £2.25 billion to the deficit forecasts. But it is a sensible change given that the UK economy is now in its fifth year of growth, that the strong pound is certain to slow the export sector and the Monetary Policy Committee is seeking to rein in consumption.

The other areas where the audit office has sought to restore integrity are in tax collections and privatisations. The concept of spending about £800 million of taxpayers money to improve the Inland Revenue's collections was sensible enough. But the Audit Office now believes that last November's Red Book over-egged the benefits and between now and 2000 the enhanced enforcement system will actually collect £1.75 billion less than expected. Finally, by knocking out the effect of privatisations, which have yet to be baked in the cake, a further £2.5 billion is added. If one fast-forwards to 2001-02 then the holes become larger.

The value of the Audit Office exercise, which Gordon Brown intends to turn into a permanent feature, is that it should militate against the budget arithmetic being massaged for political purposes. It should provide the same degree of credibility for the PSBR numbers, which the operational independence of the Bank of England is intended to deliver on monetary policy.

If Mr Brown was looking for a mandate for sweeping increases in taxation, he has not found it in the audit report. However, it does give him the opportunity to start on reforms of the taxation system, including an overhaul of corporation tax, changes in capital gains tax, green taxes and measures to encourage moving people from welfare to work.

Mutual distrust

THE goings-on at the Nationwide become more bizarre by the day. Having sparked an account opening panic — the opposite of a run on the bank — the quixotic rebel member Michael Hardern has changed his mind on conversion. The result of his campaign to place a slate of conversion advocates on the Nationwide board has been to wreck havoc in the mutual sector. Small pockets of financial calm in the suburbs have been turned into noisy, turbulent crowd scenes as the smell of free shares and windfall pay-outs has spread from Nationwide to the Portman, Bradford & Bingley, Coventry and beyond.

None of this is terribly satisfactory. The Nationwide AGM, which was to have been the ultimate test of mutuality, has been turned into high farce by Mr Hardern's volte-face, which has rendered the ballot papers meaningless. Meanwhile, a nation which is already in the midst of a spending spree, on the back of existing windfalls, faces the possibility of more monetary profligacy if the current get-rich-quick mood prevails.

It is in everyone's interest that the UK retain a pluralistic financial system, in which mutuals like the Nationwide and B&B are able to compete in the marketplace with the new plcs like the Halifax and banks like Lloyds TSB. The competitive rates being offered by the mutuals mean that the quoted companies will have to offer finer rates if they are to preserve their retail base and mortgage pipeline. As for the really small saver, the Hardern campaign — which is still demanding windfalls from Nationwide — is proving a nightmare. No longer can the saver trying to put together a modest nest egg open an account. The Treasury which, under the Tories, failed to build adequate protections into the recent Building Societies Act needs to consider emergency legislation to provide two or even five years of inoculation against carpetbaggers.

Arnault's audacity

FOLLOWING a modest purchase of GrandMet shares earlier in the week Bernard Arnault's LVMH has come back in with one of the most audacious raids seen in recent UK corporate history. The French group is now the biggest shareholder in both GrandMet and Guinness and any hopes which Tony Greener of Guinness and George Bull of GrandMet had of excluding him from the bargaining table have been removed in a sea of cash.

Mr Arnault made it clear from day one that what he wanted from a GrandMet-Guinness alliance was a three-way merger of the up-market drinks businesses, which would create a genuine European rival to north American giants like Seagram. He is now in a much stronger position to achieve that and the plans of GrandMet and Guinness to create a broader branded goods group look in serious difficulty. Mr Arnault deserves a great deal of credit for forcing an issue which supine UK shareholders, looking for short-term gains, are unwilling to tackle.

McDonnell hit by new loss warning

Tony May

LONG-SUFFERING shareholders in McDonnell Information Systems saw 43 per cent wiped off their investment yesterday after John Klein, the chief executive, warned that the computer solutions company was heading for a "very substantial" loss for 1996 and had an "urgent" need to rebuild its balance sheet and cash position.

The shares plummeted to 19p on the news but later recovered to close 16 per cent down at 18.5p — wiping around £5.8 million off its market value which has now slumped to £29.8 million compared with the £261 million it boasted shortly after flotation in 1994.

Mr Klein said the board had decided to make full provision in its 1996 accounts against the future costs of software development contracts.

This meant the group had to cut its profit estimates for the year although it expected the 1997 results to "more accurately reflect the underlying performance of the group".

Trading since the 1996 year-end had been on a rising trend and the board expects a sustained improvement in its performance in the current year.

But the seriousness of the current situation was underlined by the warning that the loss would require a cash injection and the board was "addressing this issue as a matter of urgency" with consultants from Close Brothers.

The group has issued several profit warnings since flotation.

The last one came in October when it announced worse than expected half-year losses, cancelled payment of an interim dividend and warned that a restructuring of its operations was not expected to yield any benefits until 1997.

Cigarette makers ready to buy off victims

Tobacco firms poised to accept $300bn settlement, **Lisa Buckingham** reports

THE world's biggest tobacco companies were last night poised to offer a $50 billion cash-down payment to secure a 20-year deal to buy off the victims of smoking.

The agreement, which will cost a total of $300 billion, will be the most costly industrial settlement ever negotiated.

Sources close to the Washington talks between cigarette makers, victims of smoking and the health services which treat tobacco addicts said a deal could be concluded later today.

It is understood the big cigarette groups — RJ R Nabisco, Philip Morris and Brown & Williamson — will accept drastic restrictions on advertising and will concede that the powerful Food and Drug Administration should regulate tobacco as an addictive substance.

Despite the apparently draconian terms of the settlement — which President Clinton is pledged to drive forward if there is any stalling — shares in the tobacco companies rose strongly in London and New York.

The possibility of drawing a line under the open-ended litigation from smoking victims offers investors the chance to ring-fence the industry's down side even though the cash cost over time will be larger even than the price of settling asbestos lawsuits.

And despite a heavy up-front cash payment, the cigarette makers will be able to recoup the $15 billion annual penalty by adding between 5 and 10 cents to the cost of a packet of 20. Such a rise is not expected to dent significantly the consumption of 480 billion cigarettes a year in the US.

Tobacco companies were attempting to portray the agreement as punitive and likely to go well beyond anything they could recoup from smokers.

"There will be a big element which we cannot pass on to the consumer," said one US tobacco executive. "But it looks as though those who want lots of money — which they can only get if we remain in business — are going to win against those who want to put us out of business altogether."

The speed of the settlement has surprised observers although it has been clear that the tobacco companies wanted to crawl under the wire before July 7 when a key anti-smoking case will come to court. It is a massive action brought by the state of Mississippi's attorney general, Mike Moore, who is a leading negotiator in the settlement talks and who the tobacco companies hope will drop his action if they agree a settlement.

It is understood, however, that after the interjection of Martin Broughton, chief executive of BAT Industries which owns Brown & Williamson, the tobacco companies have hardened their determination to resist punitive damages.

The settlement — the terms of which will have to secure legislative changes in the US Congress — will not provide cigarette companies with immunity from prosecution either in the US or overseas.

But the deal is expected to make it very much more difficult for class actions to be launched and saving the industry around $750 million a year in legal costs alone.

One source close to the settlement talks said: "It is extraordinary that things have got this far. There are still outstanding isues but it is hard to say whether these are real or not."

The settlement is also understood to include a clause which reserves the right of tobacco companies to sue their insurers to recover part of the costs of the deal.

One insurance source said it was possible underwriters could end up with a $250 billion bill but others disputed whether they would have to pay anything unless tobacco companies were found to be liable in the courts.

هكذا من الأصل